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APEC Meeting Concludes

Conference Ends; Secretariat Established

SK3008025291 Seoul THE KOREA HERALD in English 30 Aug 91 p 2, 3—FOR OFFICIAL USE ONLY

[By staff reporter Kim Hye-won]

[Text] Kyongju, Kyongsangbuk-to—Officials from 12 Asia- Pacific countries wound up their two-day preliminary meeting for the third ministerial conference of the Asia-Pacific Economic Cooperation (APEC) in this ancient city of Kyongju yesterday, taking important steps forward on several critical issues concerning the future of APEC.

The issues included the establishment of a secretariat and the adoption of a declaration to provide a framework for future APEC activities.

These have apparently failed to get enough media attention, overshadowed by the admission of China, Taiwan and Hong Kong but are not less important to the future of the APEC forum which came into being in November 1989.

"It was generally agreed that the establishment of a secretariat is necessary to coordinate and support activities of 10 working groups, which in general, have made much progress," Assistant Foreign Minister Yi Si-yong said at the end of the APEC senior officials meeting here. Yi chaired the meeting.

He said the 12 APEC members decided to form a group of five countries to study the secretariat issue. The five are the countries which have hosted or will host full APEC meetings by 1993—Australia, Singapore, Korea, Thailand and the United States.

Yi said 10 work projects now pursued by APEC countries in such fields as investment and technology transfer, human resources development and energy need some administrative and financial support for effective implementation.

"The participants, even ASEAN members, recognized that the support is difficult without some kind of secretariat," he said, adding that the secretariat, if set up, would change the APEC from a Group of Seven-type forum to an OECD-type organization.

The establishment of a secretariat is a very sensitive issue because of its implication on the future and function of APEC.

ASEAN (Association of Southeast Asian Nations) countries, in general, have shown reserved attitudes out of their concern that APEC might grow to overshadow ASEAN.

Recognizing that the successful and early conclusion of the Uruguay Round multilateral trade negotiations remains the highest priority for APEC countries, the senior officials had their negotiators in Geneva prepare a report by mid-October, outlining the state of the negotiation and identifying the unresolved issues, Yi said.

They decided to recommend to the Seoul conference the formation of a "group of eminent persons" to study the regional trade liberalization, which has been suggested by Australia, he said.

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Another issue concerning the future of APEC is the adoption of a declaration setting the framework of the forum.

Seoul, which proposed the adoption about a month ago, put forward a draft of the declaration to the Kyongju meeting.

"We tried to reflect as much as possible the views of other countries when we made the draft and therefore, there was not much debate on the contents," Yi said.

But there has been no agreement on the fundamental question of whether APEC needs such a declaration. ASEAN countries wanted some time to coordinate and produce a joint position.

"I still don't see any big problem in pushing the declaration at the forthcoming APEC conference in Seoul," Yi said.

The draft made by Seoul would govern goals, basic principles, organization and membership of the APEC forum.

It would call for open regionalism, equality and diversity as principles for APEC and closer coordination in economic issues as the goal, according to Yi.

Yi expects the Seoul conference in November to be a very important meeting for settling these issues and therefore, setting the future course of APEC as a forum for regional economic cooperation.

"Whether APEC is viable as a regional body is much up to the Seoul meeting, where China, Taiwan and Hong Kong will also be present for the first time," he said.

But the 12 APEC members did not reach agreements on the admission of new members in addition to the three Chinas in the meeting here.

Five Central and South American countries—Mexico, Chile, Peru, Ecuador and Argentina—want to join the forum as either full members or observers. The Soviet Union informally expressed the hope of joining APEC, while Mongolia and India inquired about their participation recently.

Further on SNC Meeting

Beijing 'Pleased' With Progress at Phatthaya

BK3008010191 Bangkok THE NATION in English 30 Aug 91 p A4

[Text] Chinese Foreign Minister Qian Qichen's visit to Phnom Penh would depend on the progress of the ongoing Phatthaya peace talks, a Chinese official said yesterday.

The official, who asked not be identified, said Vice Foreign Minister Xu Dunxin yesterday spent more than an hour discussing the Cambodian problem with Phnom Penh Prime Minister Hun Sen at his hotel suite.

Hun Sen visited Beijing in July to attend a meeting of the Cambodian Supreme National Council. Relations between Beijing and Phnom Penh have improved rapidly over the past few months after the latter called for a political dialogue with the Chinese.

Phnom Penh Foreign Minister Hor Nam Hong told reporters that Hun Sen and Dunxin had discussed a number of issues, but did not elaborate.

The Chinese official said that the discussion touched upon proposed amendments to the UN draft peace plan for Cambodia.

Dunxin said in an interview with Channel 9 to be aired this morning that Beijing was pleased with the compromises reached by the SNC over the past two days in Phatthaya even though it supported the peace plan outlined by five permanent members of the UN Security Council.

"It would be easier if the Cambodians could reach consensus among themselves. But of course China will not accept any agreement if it deviates from the UN peace framework," Dunxin said.

The Chinese said principle issues had already been tackled and what was left for discussion were just minor questions.

"The future is bright now. We can say with full confidence that peace is not far off," he said.

Sihanouk Meets PRC Vice Minister Xu Dunxin

BK3008111391 Bangkok XING XIAN RIBAO in Chinese 30 Aug 91 p 4

[By correspondent Liu Zhenyan in Phatthaya]

[Text] Prince Sihanouk, chairman of Cambodia's Supreme National Council [SNC], received Chinese Vice Foreign Minister Xu Dunxin in Phatthaya last night. Xu Dunxin is in Phatthaya to attend a consultative meeting of the five permanent members of the UN Security Council and the cochairmen of the Paris International Conference on Cambodia.

Prince Sihanouk expressed his happiness over the success achieved by the just-ended SNC meeting. He said that some problems, which remained unresolved during this Phatthaya meeting, will be tackled at the next meeting.

Prince Sihanouk also thanked the international community, especially Thailand, ASEAN, China, and other friendly countries, for their efforts to achieve success at this meeting and to achieve an early settlement of the Cambodian problem.

Xu Dunxin said that the significant progress achieved during the Phatthaya meeting was inseparable from Prince Sihanouk's efforts. He also extended his heartfelt congratulations over the success.

Xu Dunxin also hoped that the SNC under Prince Sihanouk's leadership will be able to make further progress in its efforts to seek a political solution to the Cambodian problem and resolve the remaining problems as soon as possible.

Sihanouk Praises 'Tremendous' Progress at Talks

BK2908102691 Hong Kong AFP in English 1005 GMT 29 Aug 91

[Text] Phatthaya, Thailand, Aug 29 (AFP)—Prince Norodom Sihanouk, Cambodia's former monarch, said Thursday that peace talks here have ironed out 95 percent of problems but the future electoral system remains the last unresolved hurdle.

The prince, who has been presiding over talks between the four factions in their Supreme National Council (SNC) of representatives, said goodwill on the part of all sides had enabled him to solve so many problems.

"We have made tremendous progress towards resolving all problems...90 percent, 95 percent of the problem is already solved," he said.

Continued discussions of the SNC, which includes representatives of the Phnom Penh Government and its three-party guerrilla opposition, dominated by the Khmer Rouge, took place as the five permanent members of the United Nations Security Council assembled to review progress on Cambodia.

"Phnom Penh has shown goodwill...and on the part of the Party of Democratic Kampuchea (the formal name of the Khmer Rouge) there is really goodwill. So there is mutual understanding and some form of friendship among the Cambodian factions," the prince, who heads the SNC, told reporters after the close of Thursday morning's session.

"We have achieved much, we did not expect such achievements. But after twelve years of war old wounds are not yet healed. We must be satisfied," the prince said.

Prince Sihanouk said that a disagreement between the Phnom Penh Government and the Khmer Rouge over a reference to genocide in the peace agreement had been solved.

The Phnom Penh Government had originally demanded a reference to the United Nation's Charter on the prevention and punishment of genocide, a clear reference to the disastrous three-and-a-half year rule of the Khmer Rouge, included in the treaty.

Deadlock had prevailed, with the Khmer Rouge objecting to the insertion, until Thursday morning when the Phnom Penh side dropped their proposed amendment.

Instead of the specific mention of the U.N. Convention on Genocide the final draft will refer only to "the relevant resolutions of the U.N. General Assembly," the prince said.

The last major unresolved question among the factions is the the country's future electoral system, the prince said.

The Phnom Penh Government is insisting on a single-ballot constituency system, while the Khmer Rouge and the small non-communist Khmer People's National Liberation Front (KPNLF) guerrilla group want a proportional representation system.

"We had discussions about it but up to now I'm not succeeding in narrowing the gap between the two sides," Prince Sihanouk said. He told reporters not to expect a quick solution to this problem.

"We will have to continue our discussions in New York in September," Prince Sihanouk said.

Earlier the prince had said that if the factions cannot agree on the electoral system the five permanent members of the U.N. Security Council might impose a solution on them. But Phnom Penh Government Prime Minister Hun Sen told reporters that a solution imposed by the permanent five was not appropriate.

"It is the ability and the prerogative of the Cambodian SNC to decide... You have to respect the wishes of the Cambodian people," Hun Sen said.

Prince Sihanouk said that another difficult sticking point, the definition of precisely which security forces will be included in the agreement to cut troop strengths by 70 percent was near resolution.

The three guerrilla groups have been demanding that the Phnom Penh Government's "A-3" paramilitary police force be included in the forces to be cut.

Hun Sen said that the A-3 was not a regular fighting force but a police force and should remain intact.

"What is important is the control of the police of Mr. Hun Sen by UNTAC. Permanent control, tight control," Sihanouk said.

The factions have already agreed that UNTAC, the U.N. Transitional Authority on Cambodia, will oversee the demobilisation and electoral processes.

"There is no problem (concerning which forces will be included in demobilisation), even about A-3. We can solve it," the prince said.

U.N. military expert Major General Timothy Dibuama was to brief the permanent five representatives Thursday on arrangements for supervising the cease-fire in Cambodia and the demobilisation agreement.

Prince Sihanouk also announced that the SNC had agreed that he should send a letter to the U.N. secretary general asking formally for aid for Cambodia.

"I hope that the secretary general will send to Cambodia as soon as possible a survey mission to study on the spot the situation and the needs of Cambodia and the Cambodian people," he said.

Sihanouk Predicts Elections by End of 1992

BK3008101491 Hong Kong AFP in English 1001 GMT 30 Aug 91

[Text] Phatthaya, Thailand, Aug 30 (AFP)—Prince Norodom Sihanouk, the head of Cambodia's Supreme National Council (SNC), predicted here Friday that United Nations-supervised elections may be held in his country by the end of 1992.

The prince told a press conference at this Thai beach resort that United Nations Security Council permanent members - Britain, China, France, the Soviet Union and the United States—had approved an SNC compromise on a 70 percent demobilisation of the rival forces.

In a meeting of the SNC and the security council's five permanent members, U.S. Assistant Secretary of State Richard Solomon had, however, "expressed the wish" that remaining units of Phnom Penh's Vietnam-installed Government and its guerrilla foes in a guerrilla coalition be further cut "step by step" before the elections, he said.

The former Cambodian monarch, 68, said he and the coalition dominated by the Chinese-backed Khmer Rouge favoured total demobilisation ahead of the poll in line with a U.N. peace plan, but "unfortunately the Phnom Penh regime ... cannot accept our proposal."

Prince Sihanouk, a long-serving resistance chief who has taken a neutral stance since he became SNC head earlier this year, said he asked the Security Council's permanent members to be patient.

He said faction leaders would discuss their remaining differences next month in New York when they attend the U.N. General Assembly. The sticking points include the choice of an electoral system and the extent of the demobilisation.

"In New York, perhaps we will be able to solve those problems," which would pave the way for a Paris International Conference on Cambodia in October, he said.

The 19-country Paris-conference is to be convened to sanction a settlement ending Cambodia's 13-year-old war.

Senior French diplomat Jean-David Levitte, also here for the peace talks, said earlier it was "possible and desirable" to hold the conference by the end of October in a bid to have a formal peace agreement before the SNC, which represents the factions, moves its headquarters to Phnom Penh in November.

Diplomats have said this would stop the factions from using delaying tactics to postpone peace and the deployment in Cambodia of international military and civilian personnel under the U.N. Transitional Authority for Cambodia (UNTAC).

Prince Sihanouk said that if the "scenario" he had outlined for agreement in New York and if an October Paris conference were to materialise UNTAC could move in immediately and elections held within 12 months.

The factions, after reaching agreements earlier this week on demobilisation and power sharing, remain deadlocked on what electoral system to adopt.

The U.S.-backed Khmer People's National Liberation Front (KPNLF), one of two non-communist guerrilla factions allied with the Khmer Rouge, wants a proportional representation system as in the U.N. plan. Phnom Penh favours a single constituency ballot.

Another source of remaining friction is the question of Phnom Penh's special Interior Ministry units codenamed "A-3," which the guerrillas want included in the demobilisation whereas the government claims they are police forces and therefore not to be taken into account.

But Phnom Penh Prime Hun Sen, talking separately to reporters, said he was "99 per cent confident" an accord would be reached "in November at the latest."

Prince Sihanouk said the future government of Cambodia should decide what to do with forces of the rival groups which are not to be dissolved but relocated into cantonments under U.N supervision.

He said he hoped UNTAC would remain in Cambodia three to five years after the elections and that the elected government would have a choice between disbanding those forces or integrating them into a new national army.

Prince Sihanouk also said he would go to Hanoi in mid December as guest of the Vietnamese Government.

France Says Conference 'Possible' by Late Oct

BK3008040691 Hong Kong AFP in English 0352 GMT 30 Aug 91

[Text] Phatthaya, Thailand, Aug 30 (AFP)—France, host of an international conference to restore peace in Cambodia, said Friday it was possible to reconvene the conference by the end of October to ratify a settlement, despite lingering disputes among Cambodian factions.

Top French diplomat Jean-David Levitte, here to take part in the peace talks, said "The conference should take place before the Supreme National Council moves to Phnom Penh."

Cambodia's Supreme National Council (SNC), formed with representatives of the factions—Phnom Penh's Vietnam-installed Government and a guerrilla coalition dominated by the Chinese-backed Khmer Rouge—is slated to set up its headquarters in the Cambodian capital in mid November.

Diplomats have said delaying tactics from the factions were highly likely if the SNC were to go to Phnom Penh before a formal settlement to end their 13-year-old war was signed and ratified by the 19-country Paris conference.

"I believe it is possible and desirable for the Paris conference to be held before the end of October," said Levitte, director for Asia at the French Foreign Ministry.

He was speaking after the factions had reached major compromises during meetings in this Thai beach resort.

The rival factions compromised on slashing their troop strengths and powersharing but could not agree on an electoral system to be adopted for a United Nations-supervised poll in their beleaguered country.

Senior officials of the U.N. Security Council permanent members—the United States, China, France, Soviet Union and Britain—were meeting here Friday with the 12-member SNC headed by former Cambodian monarch Prince Norodom Sihanouk.

Diplomats said they will announce their support to the Cambodian agreement for a 70 percent demobilisation of forces.

There had been fears that the United States might block the deal under which remaining units will be put under U.N. supervision, since Washington has been insisting that there should be only minor changes in the U.N. Cambodian peace plan. The blueprint provides for total dismantling of rival forces.

But in discussions on Thursday the five agreed to support the SNC military accord.

"They will, however, point out in their meeting with the SNC that their ultimate goal is for all forces to be totally dismantled at the time of the elections in Cambodia," said a diplomat, who declined to be identified.

This appears to be a call for dismantling in several stages. According to diplomats, elections could be held by the end of 1992 if a settlement is finalised by the end of this year.

The diplomats said a compromise resolution to the elections issue had been proposed to the factions by U.N. top representative for Cambodia Ahmed Rafeuddin. He has suggested that proportional representation be adopted at the provincial level, they said.

Phnom Penh Prime Minister Hun Sen has objected to the U.N. draft which calls for national proportional representation, preferring instead a single constituency ballot.

The U.S.-backed Khmer People's National Liberation Front (KPNLF), wants to stick to the original U.N. blueprint. The KPNLF is one of two small non-communist factions allied to the Khmer Rouge, Cambodia's deposed radical Marxist ruling group.

Proportional representation, which normally favours political movements with limited popular following, would allow the KPNLF to be represented in Cambodia's future National Assembly, analysts said.

Spokesman Welcomes Results at Phatthaya

BK3008102691 Hanoi Voice of Vietnam in English 1000 GMT 30 Aug 91

[Text] A spokesman for the Vietnamese Foreign Ministry on Friday issued a statement on the freshly concluded meeting of the Supreme National Council [SNC] in Phatthaya, Thailand.

The statement said that the meeting obtained important results, creating conditions leading a Paris International Conference on Cambodia. The results of the meeting shows that the Cambodians can settle all matters concerning their sovereignty in the spirit of national concord and reconciliation with the support and cooperation of all countries concerned.

Vietnam welcomes the results of the meeting and considers this an appropriate approach to a solution to the Cambodian issue, thus meeting the Cambodian people's interests and in conformity with the interest of peace, stability, friendship, and cooperation in the region and the world.

Vietnam once again affirms its respect for all the SNC decisions on matters concerning Cambodian sovereignty and continues to work toward achieving an early reasonable and fair political solution to the Cambodian issue.

Meeting Ends in Deadlock Over Elections

BK2908133691 Hong Kong AFP in English 1330 GMT 29 Aug 91

[Text] Phatthaya, Thailand, Aug 29 (AFP)—Cambodia's warring factions ended four days of peace talks here in a deadlock over the electoral system to be adopted in a U.N.-supervised poll in that country.

Prince Norodom Sihanouk, the head of Cambodia's Supreme National Council (SNC), told a press conference that Phnom Penh's Vietnam-installed Government and a guerrilla coalition dominated by the Chinese-backed Khmer Rouge had failed to narrow their differences over the issue. But he said the meetings, which earlier produced landmark agreements on the demobilisation of the rival forces and giving him final say in SNC decisions had marked progress towards peace.

The prince said the election issue would have to be discussed again at the next SNC meeting, scheduled to be held in this Thai beach resort October 21-24, not next month in New York as earlier planned.

The guerrillas want the elections to be organised under the system of proportional representation outlined in a United Nations- brokered peace plan.

The Phnom Penh Government however favours a single constituency ballot.

"Each side was very firm, very uncompromising," the prince said, adding that the Khmer People's National Liberation Front (KPNLF), one of two non-communist groups allied to the radical Marxist Khmer Rouge, was particularly insistent on retaining proportional representation.

The 68-year-old prince said he had not wanted to use his power of final say when the SNC, which normally decides by consensus, is tied. He indicated he was in favour of a single constituency poll. But, he said, "I don't want to hurt the resistance."

Disagreements Over Troops, Elections Noted

BK3008102991 Phnom Penh SPK in English 0221 GMT 30 Aug 91

[Text] Phnom Penh SPK August 29th—The Supreme National Council (SNC) agreed in the third day of peace talks in the resort town of Phatthaya yesterday to allow a multi-party system in Cambodia in preparation for upcoming general elections, reported an SPK correspondent from Phatthaya.

However, they agreed that any party formed with 5,000 members or more could be allowed to take part in the election.

On the question of armed forces, they still remained wide [apart] on its definition sought to be explained by the Khmer Rouge side, which demanded parts of the Phnom Penh Government "A3" police forces be included in the 70 percent demobilization agreed upon the day before.

Cambodian Prime Minister Hun Sen declared in the press briefing this morning that "the so-called 'A3' force is not for fighting like the military one and now there exist no such force."

Khieu Samphan, on the other hand, proposed that an SNC police force be set up to replace the so-called "A3" force. But the proposal was rejected by Prime Minister Hun Sen on the ground that it would create a very complicated problem because, according to him, "the problem of armed forces has nearly been settled and then another armed forces problem was propped up.

"It is an attempt to dissolve our government automatically through the setting up of an SNC police force and to transfer the SNC into an executive government," said

Hun Sen, adding "generally we cannot agree to accept anything contradictory to the agreements already reached."

Khieu Samphan also raised an alternative that police forces of all parties could remain but unarmed.

Hun Sen believed that the alternative would create more complicated problem. "Are the unarmed police going to bite the armed bandits?" he asked, citing the banditry in Site Two camp happening recently and the incident in which two suspected Cambodian bandits were shot dead, allegedly attacking and robbing three United Nations trucks carrying supplies in Ta Phraya District, Thailand on Tuesday night.

Another issue which remained an impasse in yesterday sessions and will be put into discussion today is the electoral system. The SNC members representing the State of Cambodia proposed a system of single ballot constituency on a majority basis, while the other members prefer a system of proportional representation.

Hun Sen explained that "the Cambodian people since 1947 always had single ballot constituency system, but never that on proportional representation," and "the election before the constituent assembly and then this assembly will become the national assembly." [sentence as received] Therefore the people need to know and need to have their representatives in each constituency, he said.

"We would like to apply real democracy," he said, adding the people should know the candidates and their respective political parties.

The SNC also remained wide apart on whether the reference to the convention on the prevention and punishment of crimes of genocide proposed by the State of Cambodia side should be included in the draft agreements or not.

Prime Minister Hun Sen said that the convention was raised to refer to the the future, not to any particular party. "But everybody must respect the convention so as not to allow the recurrence of policies and practices of the past," he stressed.

UN Survey Team Ends Visit, Leaves 29 Aug

BK3008065291 Phnom Penh SPK in English
0421 GMT 30 Aug 91

[Text] Phnom Penh SPK August 30—A United Nations mission left here Thursday [29 August] after a week-long visit to Cambodia to study the modalities of controlling the unlimited cease-fire in the country.

The 12-member team led by Major General Timothy Dibuama of Ghana, military adviser to the Secretary General of the United Nations, was seen off at Pochentong airport by Lieutenant General Ke Kimyan, first deputy minister of National Defence of the State of Cambodia, and other officials.

While here, the team was received on separate occasions by Defence Minister Tie Banh and Vice Minister Ke Kimyan, and visited a number of front-line areas in the western border Provinces of Siem Reap-Oddar Meanchey, Banteay Meanchey and Battambang.

In Phnom Penh, the team was split into small groups to confer with officials of the Ministries of Public Health, Transport, Post, and Communications, the Customs House and Water Supply and the Phnom Penh People's Committee.

"Final Communique" Issued From Phatthaya

BK3008061791 Phnom Penh SPK in English
0424 GMT 30 Aug 91

[Text] Phnom Penh SPK August 30—Following is the final communique of the Supreme National Council of Cambodia issued yesterday evening after a four-day meeting in Phatthaya, Thailand.

I. The Supreme National Council (SNC) of Cambodia held its meeting in Phatthaya (Thailand) from 26 to 29 August 1991 under the very high chairmanship of H.R.H. [His Royal Highness] Samdech Norodom Sihanouk, president of the SNC. The representatives of the two cochairmen of the PICC [Paris International Conference on Cambodia] and of the secretary general of the United Nations were also present as observers.

The Supreme National Council unanimously agreed on the following:

1—On the control of the cease-fire and cessation of foreign military assistance.

H.R.H. Samdech Norodom Sihanouk, president of the SNC, sent to the secretary general of the United Nations, a letter dated 26 August 1991 which reads inter alia: "The SNC of Cambodia, anxious to ensure that the council's decision on the cessation of hostilities and of foreign military aid be fully implemented by all parties to the conflict and to speed up the UN peace process, earnestly requests that Your Excellency be kind enough to do all the necessary to have at least 200 UN personnel sent to Cambodia as "observers" in September 1991 in order to assist the SNC in controlling the cease-fire and the cessation of foreign military assistance, as a first step within the framework of a comprehensive political settlement."

2—On the arrangement of all forces of the Cambodian parties.

Upon the proposal of H.E. [His Excellency] Mr. Jean David Levitte, representative of France and cochairman of the PICC:

—All forces of all Cambodian parties shall be reduced by 70 per cent. Arms, ammunition and equipment of these forces shall be reduced by 70 per cent as well.

—The remaining 30 per cent of these forces will be regrouped and relocated to specifically designated cantonment areas under the supervision of UNTAC [UN Transitional Authority in Cambodia]. While these forces are in the cantonments, their arms, ammunition and equipments will be stored on site under UNTAC supervision. These remaining arms, ammunition and equipment should not be allowed out of cantonment areas.

3—On the relationship between the United Nations Transitional Authority in Cambodia and the SNC.

The Supreme National Council (SNC) will offer advice to UNTAC, which will comply with this advice provided there is a consensus among the members of the SNC and provided this advice is consistent with the objectives of the agreement on a comprehensive political settlement. The secretary general's special representative will determine whether such advice is consistent with this agreement.

If there is no consensus on any given matter among the members of the SNC, H.R.H. Samdech Norodom Sihanouk, president of the SNC, should make every endeavor to reach a consensus on such a matter. In case it is still unattainable, H.R.H. Samdech Norodom Sihanouk, president of the SNC, shall be entitled to make the final decision, taking fully into account views expressed in the SNC.

This mechanism will be used to resolve all issues relating to the implementation of this agreement which may arise between the secretary general's special representative and the SNC.

4—On the political system.

- In the future, Cambodia (?shall) adopt a system of liberal democracy and multi-party. Each Cambodian citizen will (?enjoy) the right to association and to form political parties. In order to be able to take part in the elections, each political party should have at least 5,000 members.

5—On human rights and principles for a new constitution for Cambodia

—The sub-paragraph (b) of paragraph (2) of Article 15 of Part III of the 26 November 1990 draft agreements reads as follows: "The other signatories to this agreement undertake to prompt and encourage respect for an observance of human rights and fundamental freedoms in Cambodia as embodied in the relevant international instruments and relevant resolutions of the UN General Assembly in order, in particular, to prevent the recurrence of human rights abuses".

—The paragraph 2 of annex 5 of the 26 November 1990 draft agreements reads as follows: "Cambodia's tragic recent history requires special measures to assure protection of human rights. Therefore, the constitution will contain a declaration of fundamental rights, including the rights to life, personal liberty, security, freedom of movement, freedom of religion, assembly and association (including political parties and trade unions), due process and equality before the law, protection from arbitrary deprivation of property or deprivation of private property without just compensation, and freedom from racial, ethnic, religious or sexual discrimination. It will prohibit the retroactive application of criminal law. The declaration will be consistent with the provisions of the universal declaration of human rights and other relevant international instruments. Aggrieved individuals will be entitled to have the courts adjudicate and enforce these rights".

6—On the question of rehabilitation.

The SNC requested H.R.H. Samdech Norodom Sihanouk, president of the SNC, to address a letter to the UN Secretary-General, the letter, dated 29 August 1991, reads inter alia:

"The SNC agreed to request Your Excellency to kindly consider the provision of assistance for the rehabilitation and reconstruction of Cambodia at the earliest possible date. This UN assistance is urgently required for the repairs and rehabilitation of roads, bridges, airport facilities, port facilities and railway lines".

7—The SNC agreed to issue the passport of the SNC. The modalities will be determined by the Secretariat.

II. The Supreme National Council of Cambodia expressed its warmest thanks to His Majesty the King and Her Majesty the Queen of the Kingdom of Thailand; H.E. Mr. Anan Panyarachun, prime minister of the royal Thai Government; and all other Thai officials, without whose generous assistance and hospitality this SNC meeting could not have been crowned with this success. The Cambodian nation and people remain profoundly indebted to the Kingdom of Thailand for her generosity, compassion and tremendous efforts she has made for the Cambodian national cause.

III. The SNC expressed deep appreciation and gratitude to all friendly countries and governments the world over for their efforts in the search of a comprehensive political settlement of the Cambodia conflict.

IV. The SNC addressed its gratitude to the UN secretary general for sending a survey team to Cambodia in reply to the letter of 16 July 1991 of H.R.H. Samdech Norodom Sihanouk, president of the SNC, and to the two cochairman of the PICC as well as to their representatives for their cooperation.

V. The SNC also expressed its gratitude to H.E. Mr. Rafeeuddin Ahmed, special representative of the UN secretary general; H.E. Mr. Jean David Levitte; H.E. Mr. S. Wiryono, representatives of the cochairmen of the PICC; and their collaborators for their assistance.

VI. The SNC expressed its gratitude to the five permanent members of the UN Security Council for the time and effort they have been devoting to finding at an early date a lasting comprehensive political settlement of the Cambodia conflict.

Japan

Ambassador Hints Recognition for Baltics Soon

OW2908142391 Tokyo KYODO in English 1408 GMT 29 Aug 91

[Text] Moscow, Aug. 29 KYODO—Japanese Ambassador to the Soviet Union Sumio Edamura on Thursday indicated Japan may soon recognize the independence of the Baltic states of Estonia, Latvia, and Lithuania.

Edamura told Japanese reporters in Moscow that Tokyo will not stick to "the clear approval of the independence by the federal government" if their independence is accomplished peacefully.

He disclosed the position before the dispatch of a mission to the three Baltic states by the Japanese Government next week to look into recognizing them diplomatically.

The four-member mission will be led by Hirokazu Arai, the Foreign Ministry's liaison chief in Osaka and a former ambassador to East Germany.

The mission will leave Japan September 1 and call on administration and parliament leaders in the three states, which have declared independence from the Soviet Union. They will leave the region September 7.

Edamura said there is a possibility Japan will recognize the Baltics' independence after closely consulting with the mission before it leaves the region on September 7.

On Monday the Japanese Government issued a statement saying Japan plans to extend diplomatic recognition.

Gorbachev Says Reform Programs To Be Kept

OW3008005491 Tokyo KYODO in English 0021 GMT 30 Aug 91

[Text] Moscow, Aug. 29 KYODO—Soviet President Mikhail Gorbachev vowed Thursday he will keep reform programs going despite drastic changes following last week's coup attempt, Japanese officials said in Moscow.

The officials said Gorbachev thanked Japan for supporting him during and after the three-day coup last week.

He made the comment in a 15-minute meeting with Japanese Vice Foreign Minister Kunihiko Saito.

Saito handed Gorbachev a letter from Prime Minister Toshiki Kaifu in which Kaifu expressed hope of bilateral efforts to conclude a peace treaty and promote cooperation between the two countries.

Gorbachev replied he will closely follow agreements to develop mutual relations reached when he was in Tokyo in April, the officials said.

Nakayama Discusses Aid to Soviet Union

OW3008045691 Tokyo KYODO in English 0359 GMT 30 Aug 91

[Text] Tokyo, Aug. 30 KYODO—Foreign Minister Taro Nakayama indicated Friday Japan will examine ways as early as possible to extend aid to the Soviet Union in humanitarian fields.

Nayama told reporters that as soon as Deputy Foreign Minister Koji Watanabe returns from London on Sunday, he will begin studying the issue with other cabinet ministers.

Watanabe is in London for a Group of Seven (G-7) industrial nations meeting to discuss aid to the Soviet Union.

Sunday, Prime Minister Toshiki Kaifu, Nakayama, Finance Minister Ryutaro Hashimoto and Eiichi Nakao, minister of international trade and industry, are expected to discuss measures to provide assistance.

Representatives of the G-7—Britain, France, Italy, Germany, the United States, Canada, and Japan—agreed in London Thursday to examine ways to help supply emergency food and medicine to the Soviet Union.

They also agreed to help Moscow join the International Monetary Fund under special status and will supply technical assistance in energy and four other fields as early as possible.

Economic Planning Agency Seeks Funds for USSR

OW2908142791 Tokyo KYODO in English 1335 GMT 29 Aug 91

[Text] Tokyo, Aug. 29 KYODO—The Economic Planning Agency (EPA) on Thursday decided to seek a fiscal 1992 budget appropriation of 99 million yen to send experts to the Soviet Union and provide technical training to Soviet people in Japan, agency sources said.

The appropriation is included in the planned 41.75 billion yen budget request for the next fiscal year which the agency will submit to the Finance Ministry.

Government Undecided on Food Aid to Soviets

OW3008032391 Tokyo KYODO in English 0235 GMT 30 Aug 91

[Text] Tokyo, Aug. 30 KYODO—Despite growing calls for more food aid to the Soviet Union, Japan is undecided on whether to add to the 100 million dollars in such aid now earmarked for the Soviets, Eiichi Nakao, Minister for International Trade and Industry, said Friday.

Speaking at a regular press meeting, Nakao said it is "quite appropriate" that the sherpas of the leaders of Group of Seven (G-7) industrial nations in London reconfirmed the growing need for food aid to the Soviets, especially toward winter.

Japan is aware of the necessity and "gathering information" but the government has made no decision yet, Nakao said.

Further on Arrested Officials' Ties With Iran

OW3008081491 Tokyo KYODO in English 0730 GMT 30 Aug 91

[Text] Tokyo, Aug. 30 KYODO—Police sent four top officials of an aerospace equipment manufacturer Friday to prosecutors in connection with illegal exports of missile parts to Iran.

The four are Yukio Kaito, 63, senior adviser and former president of Japan Aviation Electronics Industry Ltd. (JAE), Keiichi Fukuizumi, 64, a senior managing director, Yoshiharu Fukunaga, 58, a director, and Hironobu Takahashi, 52, head of the company's aircraft division, police said.

Police arrested them Wednesday.

They suspect JAE imported 1,357 flywheels for use in Sidewinder air-to-air missiles from a subsidiary in Singapore of the Florida-based Aero Systems Inc. during one year from May 1988.

JAE exported the flywheels after repairing them to Iran via Aero Systems' Singaporean subsidiary for 36 million yen without obtaining approval from the Ministry of International Trade and Industry, police said.

Japan bans the export of weapons and their components.

Fourth Round of DPRK Talks Bogs Down

OW3008042091 Tokyo KYODO in English 0409 GMT 30 Aug 91

[Text] Beijing, Aug. 30 KYODO—Discussions between lower-level officials over a Japanese woman allegedly kidnapped by North Korea delayed the start of the formal part of normalization talks between Japanese and North Korean negotiators Friday.

The fourth round of normalization talks at the North Korean embassy in Beijing bogged down shortly after the start after the Japanese side at the informal negotiations pressed for information concerning the woman, known in Korean as Yi Un-hye.

She was allegedly kidnapped to train a North Korean agent convicted in the 1987 bombing of a South Korean airliner that killed 115 people.

A third round of talks in May broke down over Pyongyang's objections to Tokyo's demands for information on the woman as having nothing to do with the basic agenda of the negotiations.

After both countries simultaneously announced on July 20 they would resume their stalemated talks, the Foreign Ministry indicated it would not bring up the case of the missing woman in the formal stage of the talks.

The Japanese delegation is headed by Noboru Nakahira, who holds the title of ambassador in charge of Japanese-North Korean normalization talks, while the North Korean side is headed by Chon In-chol, one of North Korea's several vice foreign ministers.

Discussion at the formal meeting is expected to cover the question of the extent of North Korean jurisdiction on the divided Korean peninsula, and Japanese compensation for its 1910-45 colonial rule of all of Korea.

The Japanese side is also expected to indicate positive appraisal of North Korea's decision to apply for simultaneous membership with South Korea of the United Nations and to finalize negotiations with the International Atomic Energy Agency (IAEA) on a nuclear safeguard treaty agreement.

The Japanese side will also press for a resumption of the stalled talks between the leaders of North and South Korea.

Normalization Talks Resume

OW3008082591 Tokyo KYODO in English 0722 GMT 30 Aug 91

[Text] Beijing, Aug. 30 KYODO—The fourth round of Japan- North Korea normalization talks resumed Friday afternoon following an abrupt breakdown in the morning when Japanese officials asked Pyongyang for information about a woman allegedly kidnapped by North Korean agents.

Shigeo Takenaka, a senior Foreign Ministry official, broached the subject with a Pyongyang counterpart, Li Sam-ro, during a meeting outside the formal talks, angering North Korean officials and delaying the start of the initial session.

The Japanese woman, known as Yi Un-hye in korean, allegedly was kidnapped to train a North Korean terrorist convicted in the 1987 bombing of a South Korean airliner that killed 115 people.

The third round of talks in May broke down when Pyongyang objected to Tokyo's demands for information on the woman as having nothing to do with the agenda for the negotiations.

After the countries simultaneously announced July 20 they would resume their stalemated talks, the Foreign Ministry indicated it would not bring up the case of the missing woman in the formal talks.

The Japanese delegation is led by Noboru Nakahira, the ambassador in charge of Japanese-North Korean normalization talks, while the North Korean side is headed by Chon In-chol, one of North Korea's several vice foreign ministers.

Parties Agree on Foreign Disaster Operations

OW2908133591 Tokyo KYODO in English 1314 GMT 29 Aug 91

[Text] Tokyo, Aug. 29 KYODO—The Liberal Democratic Party (LDP) and two opposition parties remain stalemated on Self-Defense Force [SDF] participation in United Nations peacekeeping units, but have agreed on sending the SDF overseas for disaster relief efforts, LDP officials said Thursday.

The LDP, Komeito, and the Democratic Socialist Party (DSP), agreed to back a bill on sending the SDF overseas to help disaster- hit countries. The parties, however, disagreed on conditions for deploying the SDF to U.N. peacekeeping forces.

The agreement and the discord came during a meeting of LDP Secretary General Keizo Obuchi, Komeito Secretary General Yuichi Ichikawa, and DSP Secretary General Takashi Yonezawa in the Diet, the officials said. They will meet again September 9.

Obuchi asked Komeito and the DSP to cooperate with the LDP in passing two bills on the deployment of the SDF to foreign natural disaster areas and to U.N. peacekeeping forces.

Ichikawa and Yonezawa told Obuchi that the leadership of their parties, in principle, agree on sending the SDF overseas to do rescue and reconstruction work in devastated areas.

Komeito, however, insist the Diet must approve legislation for sending SDF units to peacekeeping operations and that it must pass the government's proposed five conditions to sending the SDF overseas, Ichikawa said.

The government has proposed conditions to send the SDF to the U.N. peacekeeping forces, including that it will be sent only to monitor ceasefires between warring parties, that both warring parties agree to the presence of the Japanese troops and that the SDF will be strictly neutral.

The proposal said the SDF would be pulled out of the peacekeeping forces unless the conditions are met.

Yonezawa said the DSP agrees with Komeito that the Diet must approve SDF participation in peacekeeping forces. His party, however, does not consider it necessary to pass the government's conditions limiting the participation.

Obuchi, however, said Diet approval is unnecessary for deploying the SDF to U.N. peacekeeping units and that senior LDP members oppose having the Diet vote on the issue.

U.N. peacekeeping forces with light firearms have been dispatched to Cyprus, Syria and Lebanon and other areas to help stop fighting and to maintain peace.

Meeting on Mongolian Aid Scheduled in Tokyo

OW2908114891 Tokyo KYODO in English 1059 GMT 29 Aug 91

[Text] Tokyo, Aug. 29 KYODO—Representatives from eight nations and two international organizations will meet with Mongolian leaders next week in Tokyo to discuss economic assistance to Mongolia, government officials said Thursday.

Officials from Japan, the United States, Germany, South Korea, Australia, New Zealand, Singapore, China, and Mongolia will meet next Thursday and Friday to study economic reports on Mongolia compiled by the International Monetary Fund (IMF) and the World Bank.

China will attend the meeting as an observer while representatives from the IMF and the Asian Development Bank will also join the forum to be jointly hosted by Japan and the World Bank.

Mongolian delegates, led by include Chief Deputy Prime Minister Davaadorjiyn Ganboldm, will include the finance minister and the governor of the central bank.

The participants will also discuss emergency aid to Mongolia within the next six months and are likely to come up with a specific amount of financial aid to help Mongolia buy food and agricultural machinery, the officials said.

Further on Probable Japanese POW Remains

OW2908114291 Tokyo KYODO in English 1032 GMT 29 Aug 91

[Text] Magadan, Soviet Union, Aug. 29 KYODO—Japanese Health and Welfare Ministry officials said Thursday they were almost convinced that three frozen bodies found this week in the east Siberian city of Magadan are those of Japanese soldiers during World War II.

The officials confirmed earlier this week that six bodies unearthed in July by Soviet construction workers were Japanese prisoners of war. Five more bodies were found this week at the same site, located about two kilometers southwest of central Magadan.

Three of the newly found bodies were identified as oriental males, and one as an oriental female, through forensic tests by Magadan city authorities. The other body was too badly damaged for racial identification to be possible, they said.

The officials said they believe the three bodies were those of Japanese soldiers since the city has no record of plural burials of orientals except Japanese.

The officials said they also believe the construction site was a burial ground for up to 114 Japanese who died while working as POWs, and said they will gather their remains as early as next year.

The officials will also investigate if the oriental female had any connection with the Japanese POWs. According to a former guard of a POW camp, there was a camp for female prisoners about 23 kilometers north of Magadan, and some Japanese women were sent there.

Rokuro Saito, chairman of the All-Japan Former Internees Association, said some 400 Japanese women were prisoners in Siberia following World War II, three of whom were said to have died in Magadan.

Lawyers Urge Monitoring Fate of PRC Deportee

OW2908133291 Tokyo KYODO in English 1241 GMT 29 Aug 91

[Text] Tokyo, Aug. 29 KYODO—Two lawyers on Thursday urged the government to monitor the fate of a Chinese woman deported home on August 14 despite her claim that she would be arrested there for her part in 1989 pro-democracy protests.

"The Japanese Government should recognize its responsibility to monitor the fate of Lin Guizhen to block the Chinese authorities from penalizing her severely over her role in the 1989 protests," attorney Shoji Yanagawa said at a news conference at the Foreign Correspondents' Club of Japan.

Another lawyer, Tadashi Yoshino, said, "I will formally present this demand to the government again at a court hearing on October 7 to urge it to confirm her whereabouts and ensure her safety."

Lin, 24, of Fujian Province, who landed in Naha, Okinawa, on September 28, 1989, on a boat carrying 230 people, lost a 18-month court battle with the Justice Ministry to have her deportation order overturned.

Lin joins 2,380 other Chinese people who were sent back to China since 1989 after being detained in a refugee detention center in Nagasaki.

Lin told the ministry she might be arrested and executed if sent back to China due to her part in a protest march in solidarity with Fuzhou University students, and for forwarding family savings amounting to 3,000 dollars to a demonstration leader, sent earlier by her aunt in New York.

The Justice Ministry's Refugee Bureau Director Kyoji Kojima told KYODO news service he is unsure whether Japan must accept the responsibility to monitor Lin's fate.

Government Panel May Recommend License System

OW2908115291 Tokyo KYODO in English 1123 GMT 29 Aug 91

[Text] Tokyo, Aug. 29 KYODO—A government advisory panel on administrative reform plans to propose limiting the Finance Ministry's discretion in issuing brokerage licenses as a method to help prevent financial scandals, sources familiar with the panel said Thursday. The proposal will be in a report to be presented next month by the ad hoc commission on administrative reform, which serves the prime minister, the sources said.

Currently a brokerage house must obtain a license from the ministry, but the licensing system has been criticized recently as one of the factors behind the recent brokerage payout scandals.

Some critics say the system makes it difficult for newcomers to step into the brokerage business, resulting in a monopoly by the "big four" brokerage houses that the critics said hinders fair competition.

The ministry has been under fire for its lax supervision over brokerage houses once they are licensed.

The sources said panel members agree on the need for what they said is "a permission system" that sets clear standards on allowing applicants to do brokerage business.

Among the criteria brokerage houses would have to meet to operate would be certain levels of capital and securities holdings, the sources said.

The sources said current standards for issuing a brokerage license can be broadly interpreted as they only require "enough financial base to carry out business in a sound manner" with public confidence and knowledge and experience in doing business fairly.

Panel members by and large are opposed to a registration system as seen in the United States because it would make it difficult to secure public confidence in the stock market, the sources said.

Under that system, applicants can do business automatically after they register with securities authorities.

KYODO Analyzes Brokerage Scandal Debate

OW2908141291 Tokyo KYODO in English 1223 GMT 29 Aug 91

[Text] Tokyo, Aug. 29 KYODO—Opposition parties demanded securities industry chiefs appear before the Diet to answer questions about the stock scandal which has rocked Japanese financial markets this summer.

But on Thursday when two top officials, who retired in disgrace because of the scandal, appeared before a Diet committee to testify under oath, the questioners appeared to have lost their zeal to expose the truth about the sordid web of wrongdoings, according to analysts.

The long-awaited testimonies by two top securities industry officials failed to unearth anything new about the stock scandal. Rather, analysts said, slack questioning left many observers more puzzled than ever over brokerage firms' unfair kickbacks to selected clients and connections with mobsters.

The Tokyo Stock Market, which feared further damaging disclosures, surged unexpectedly on Thursday, the key

Nikkei stock average jumping 380 points, as the market reacted with a collective sigh of relief.

"Nobody had expected the testimony would bring any new facts to light," said Kei Mizusawa, a broker-turned-writer. "The testimonies failed to uncover the truth."

Makoto Sataka, an economic commentator, concurred, saying that the inquiry did not "touch the nucleus of the problem."

Mizusawa and Sataka criticized the Lower House Special Committee on Securities and Financial Problems for its half-hearted questioning of Setsuya Tabuchi, former Nomura Securities Co. chairman, and Takuya Iwasaki, former Nikko Securities Co. president, the first such witnesses from the securities industry.

"It was evident the questioners were not well prepared and the witnesses clearly had the upper hand," Sataka said.

Mizusawa noted that Tabuchi was "adept at speaking slowly," wasting the limited question time, and skillfully dodged the few critical questions asked.

Tabuchi was requested several times to answer more succinctly.

Analysts were particularly frustrated at the insufficient inquiry into the mysterious surge of the share price of Tokyu Corp., a major railway concern, during 1989.

Asked about the alleged manipulation of the Tokyu stock price, Tabuchi repeatedly said, "I am absolutely convinced that there was no such thing as manipulation," though he admitted "there was some excessiveness in Nomura's transactions in the Tokyu stock."

Tokyu's share price surged nearly 1,000 yen after a leading "yakuza" underworld figure amassed a huge block of its stock with financial help from Nomura, and after Nomura started to aggressively recommend it.

Mizusawa described this as clear-cut "manipulation," adding there is "nothing unusual about artificially moving share prices for brokerage giants like Nomura."

Interpellators also did nothing but laugh when Tabuchi failed to name a blackmailer who introduced Susumu Ishii, head of a major Japanese crime syndicate, to Nomura, claiming the name had "slipped my mind."

Tabuchi also contradicted himself when he dismissed as "inappropriate" remarks made by Yoshihisa Tabuchi, Nomura's former president, who claimed the Finance Ministry had turned a blind eye to widespread stock-loss compensation in the securities sector.

Setsuya Tabuchi reportedly had supported the controversial statement made by the president, Yoshihisa Tabuchi, who is no relation.

Few in the lower house panel tried to grill Tabuchi about the apparent discrepancy on the matter.

Business Leaders Urge Steps To Stop Scandals

OW2908135191 Tokyo KYODO in English 1234 GMT 29 Aug 91

[Text] Tokyo, Aug. 29 KYODO—Business leaders urged the government Thursday to act quickly to prevent new financial scandals as a Diet committee heard testimony from former heads of two top brokerages on the recent payback scandal.

"What is important is to take steps to prevent a recurrence of similar scandals," said Masaru Hayami, president of the Japan Association of Corporate Executives.

Hayami and other business commented on testimony by Setsuya Tabuchi, former chairman of Nomura Securities Co., and Takuya Iwasaki, former president of Nikko Securities Co., before the House of Representatives' Special Committee on Securities and Financial Problems.

In their testimony, the two ex-securities executives denied having manipulated stocks sold to a former gang boss but admitted their companies were involved in questionable deals with gangsters.

It was good to call the ex-brokerage officials to testify to shed light on the scandals, said Takeshi Nagano, president of the Japan Federation of Employers' Associations.

Nagano, however, cast doubt on whether more testimony is needed to probe the scandals, saying "I believe it is difficult to find the real facts of the case further before the Diet."

Gaishi Hiraiwa, chairman of the Federation of Economic Organizations (Keidanren), expressed regret over the ties between brokerages and gangsters disclosed during testimony by the two men.

Hiraiwa emphasized the need to prevent similar scandals and said he was determined to tackle the issue and to restore public confidence in the stock market.

Rokuro Ishikawa, chairman of the Japan Chamber of Commerce and Industry, also pressed for the restoration of public trust in the stock market, saying that a prolonged stock market slump would pose a serious problem to the economy.

Sumitomo Chief Blames Profit Pursuit for Scandal

OW3008053091 Tokyo KYODO in English 0500 GMT 30 Aug 91

[Text] Tokyo, Aug. 30 KYODO—The head of Sumitomo Bank acknowledged Friday that the bank's "disproportionate" pursuit of profits caused a series of scandals besetting the country's most profitable bank.

Testifying as an unsworn witness before the House of Representatives special committee on securities and financial problems, Sotoo Tatsumi, the bank's president, said, "It is true that our management put disproportionately high priority on increasing profits."

Tatsumi also apologized for failing to stop the snowballing debts of Itoman Corp., a medium-sized trading house teetering on the brink of bankruptcy.

"It is regretful we could not brake the reckless running of Itoman," he said.

He revealed that Sumitomo's outstanding loans to Itoman totaled 136.7 billion yen at the end of July, accounting for 27.7 percent of Itoman's total debts.

Sumitomo, the world's third-largest bank and the main creditor of Itoman, is owed 554.9 billion yen by the Itoman Group as a whole, which accounts for 53.2 percent of the group's total debt, a sharp increase from 165.4 billion yen, or a 17 percent share, at the end of September last year.

Tatsumi explained that the sudden increase in loans came after Sumitomo took over loans from other banks, which balked at lending to Itoman after the company's troubles surfaced last October.

"We feared unexpected developments for Itoman, with 700 billion yen in annual sales, would cause massive disturbance. We, as a leading bank, needed to maintain the order of the financial market," he said.

Itoman's troubles began in the 1980s, when the trading concern specialized in textile products went on a real-estate buying binge to jump on the bandwagon of the booming "bubble economy."

When the bubble burst after interest rates rose and the government imposed curbs on real-estate-related loans, the company ended up with massive debts.

Tatsumi said Sumitomo repeatedly advised Itoman to get out of the increasingly risky real estate business, but Itoman refused to listen.

"We made every effort to help Itoman since we knew about its irregularities in spring last year, but we could not interfere with the management of an independent concern," he said.

Tatsumi firmly denied speculation that the half-hearted involvement was due to the close relations between former Sumitomo chairman Ichiro Isoda and Yoshihiko Kawamura, the arrested former president of Itoman and formerly a senior Sumitomo Bank official.

Questioned about illegal loans by former employees, another scandal surrounding Sumitomo, Tatsumi said the rapid decontrol of interest rates and the global moves to boost capital base have combined to increase the importance of profitability, driving the bank to pursue profits relentlessly.

"It cannot be denied our excessive emphasis on profits made our men lose their sense of proper judgment," he said.

Former Sumitomo branch managers allegedly arranged dozens of billions of yen in loans to two stock-manipulating groups, including the Koshin Group, headed by Mitsuhiro Kotani.

Tatsumi's testimony will be followed in the afternoon by that of Toru Hashimoto, president of Fuji Bank, and Yo Kurosawa, head of the Industrial Bank of Japan, with the focus set on massive loan frauds involving false deposit records.

Hashimoto Discusses Real Estate Borrowing Curbs

OW3008023791 Tokyo KYODO in English 0155 GMT 30 Aug 91

[Text] Tokyo, Aug. 30 KYODO—Finance Minister Ryutaro Hashimoto suggested Friday that he is not ready to lift restrictions on bank loans for real-estate related transactions.

Hashimoto told a press conference after a regular cabinet meeting that he must be more convinced of the downtrend in land prices to decide on scrapping the curb which was imposed last April.

Pointing out that land prices are resisting falling sharply, he said, "we should be quite sure that the prices won't take an upturn again (before lifting the restriction)."

Asked about the bankruptcy of Maruko, a leading leasing company of small apartments, he said the company went bust primarily because of management problems rather than a lack of capital stemming from the lending curb.

Hashimoto, however, stressed the restriction is an emergency measure and should not continue perennially.

When the effect of nonfinancial measures to depress land prices becomes clear, the ministry will consider doing away with the restraint, he suggested.

Hashimoto also indicated Tokyo is not in a rush to boost humanitarian aid to the Soviet Union.

"The problem is what we can and should do, and whom we should deal with," he said.

It is uncertain if the interests of the federal government and of some republics are the same, he said.

Ministries Contradict on Lending

OW3008050291 Tokyo KYODO in English 0326 GMT 30 Aug 91

[Text] Tokyo, Aug. 30 KYODO—Finance Minister Ryutaro Hashimoto suggested Friday he is not ready to lift restrictions on bank loans for real-estate related transactions.

Meanwhile, Construction Minister Yuji Otsuka said his ministry is considering with the Finance Ministry to lend money for selected blue-chip properties so as not to constrain supply.

Hashimoto told a press conference after a regular cabinet meeting that he must be more convinced of the downtrend in land prices to decide on scrapping the curb which was imposed last April.

Otsuka shared his opinion, saying that the policy to restrict bank loans for real estate should not be abruptly abandoned, even though bankruptcies of real estate companies are worrisome.

Hashimoto, however, stressed the restriction is an emergency measure and should not continue perennially.

When the effect of nonfinancial measures to depress land prices become clear, the Finance Ministry will consider doing away with the restraint, he suggested.

Both ministers' remarks were made on inquiry about the bankruptcy of Maruko, a leading leasing company of small apartments.

Government Agency Calls for Coordinating Economy

OW3008031091 Tokyo KYODO in English 0202 GMT 30 Aug 91

[Text] Tokyo, Aug. 30 KYODO—The Management and Coordination Agency called Friday for deregulation to coordinate Japan's economy with the international community.

In an annual report, the agency outlined its vision of the structure of Japan's administrative system in the 1990s and suggested the question is no longer simply a domestic issue.

The report said Japan's economic status improved in the 1970s and 1980s, but exclusive trade practices have been barely tolerated by international society.

It is necessary for Japan's administrative system to increase its openness and transparency from the viewpoint of international cooperation, the report said.

The government must continue to review official regulations to seek consistency with the international community, it said.

It is also necessary for the government to implement administration with high quality to respond to changes in international society, the report said.

Sugiyama Named New Ambassador to Panama

OW3008020091 Tokyo KYODO in English 0104 GMT 30 Aug 91

[Text] Tokyo, Aug. 30 KYODO—The government decided Friday to name Yoji Sugiyama, former deputy secretary general of the Fair Trade Commission, ambassador to Panama effective Monday, officials said.

Sugiyama, 55, who now belongs to the Foreign Ministry's secretariat, will succeed Junpei Kato who will return to Tokyo.

Sugiyama joined the Foreign Ministry in 1963 and served as minister at the Japanese mission for the European Community.

Solar Flare Observation Satellite Launched

OW3008075191 Tokyo KYODO in English 0707 GMT 30 Aug 91

[Text] Uchinoura, Kagoshima Pref., Aug. 30 KYODO—Japan launched successfully a solar flare observation satellite Friday aboard a rocket from the Kagoshima Space Center, southern Japan, officials of the Institute of Space and Astronautical Science (ISAS) said.

The three-stage rocket released the solar-a satellite into orbit around the earth nine minutes after liftoff, the officials said.

After its equipment is checked, the satellite is scheduled to begin observing solar activity as early as late september.

The box-shaped solar-a, Japan's 14th scientific satellite, is two meters high and one meter long and wide, and weighs about 390 kilograms. It has an expected operating life of three to four years.

The satellite carries four different measuring instruments to catch and analyze x-rays and gamma rays released from solar flares, the officials said.

Since the sun is now in a peak period of activity, solar flares, or explosions on the surface of the sun, are frequently occurring.

Little study has been done so far on the flares, which cause magnetic storms and interfere with satellites' operations.

International scientists expect much from the solar-a because it will be the only satellite observing solar flares during this active period, which occur every 11 years, the officials said.

KYODO To Market New Business Service

OW3008060491 Tokyo KYODO in English 0355 GMT 30 Aug 91

[Text] Tokyo, Aug. 30 KYODO—K.K. KYODO News Service and Telerate Systems Inc. said Friday they will immediately begin marketing JAPAN BUSINESS NEWSLINE (JBN) globally, a new English-language news service for financial professionals.

Japan business newsline covers developments in international and Japanese financial and capital markets specifically from the Japanese viewpoint.

The service is compiled and updated in real-time by KYODO News Service, Japan's biggest news agency. K.K. KYODO News Service is wholly owned by KYODO and [is] Telerate's sole distributor in Japan.

JBN will be available internationally from Sunday, and will be marketed as an optional service to Telerate users for an additional subscription fee.

It prioritizes coverage of the latest international and Japanese economic, foreign and domestic policy developments, national defense and country-risk news relating to Japan, and fast-breaking financial and business news.

"We aim to bring subscribers the hottest news on financial and monetary policy changes in Japan, and the views of the nation's top officials on major developments—the moment information comes to light, before it has had an impact in New York, London, and other international financial centers," said Fumio Matsuo, senior executive director of Tokyo-based K.K. KYODO News.

Market-moving news and analyses and market-related scoops from major Japanese newspapers will complement coverage of Japan's financial markets, including stocks, Japanese government bonds, U.S. Treasury securities, foreign exchange rates, and all major money rates, Matsuo said.

The service also provides timely, detailed reports on major Japanese corporations' latest moves, financial statements, personnel changes and tie-ups, as well as coverage of new products and high technology developments, he said.

"To participate fully in today's globally-linked markets, financial professionals and investors need more than ever before, to know about the latest real-time market moves generated from and impacting on Japan," said Telerate president Carl Valenti.

"JBN adds to Telerate's information offerings not only by augmenting global coverage with Japanese-sourced information, but by providing coverage of this vital market from the unique Japanese perspective," he said.

Coverage is selected from stories filed by KYODO's Japan-wide network of news bureaus in 48 cities, and from KYODO's international news bureaus in 45 overseas locations, via Telerate's global network, Valenti said.

Telerate Systems Inc., a wholly owned subsidiary of Dow Jones and Co., is a leading provider of real-time financial information, decision support products and transaction services to the international business community.

Chipmakers To Jointly Develop HDTV Decoder

OW3008064191 Tokyo KYODO in English 0530 GMT 30 Aug 91

[Text] Tokyo, Aug. 30 KYODO—Three Japanese electronics makers and a U.S. semiconductor company have signed an agreement to jointly develop chips for high definition television (HDTV) in Japan, company officials said Friday.

Matami Yasufuku, executive vice chairman of Fujitsu Ltd., said, "the joint development project with Hitachi Ltd., Sony Corp., and Texas Instruments Japan Ltd. will help speed the realization of a MUSE [Multiple Sub-Nyquist Sampling Encoder] decoder chip set."

Sachiaki Nagae, president of Texas Instruments Japan, said, "we are pleased to work with three of the world's leading electronics manufacturers on this development."

Texas Instruments Japan is the wholly owned subsidiary of Texas Instruments Inc., headquartered in Dallas, Texas.

The four semiconductor makers signed the cooperative agreement on Wednesday, officials said.

Texas Instruments is the third U.S. chip maker to sign an agreement with Japanese companies for HDTV development.

The two other HDTV agreements are between Motorola Inc. and Toshiba Corp., and Sanyo Electric Co. and LSI Logic Corp.

Under the agreement, the four companies will jointly work to reduce the number of chips used in the decoder to 30 compared with the 100 chips required today, to slash the costs of sets.

At present, a MUSE (Multiple Sub-Nyquist Sampling Encoder) decoder, developed by Japan Broadcasting Corp. (NHK), makes up 2.5 million yen of the 4-5 million yen price for commercial HDTV sets sold in Japan.

The chip set is scheduled for completion during the first quarter of 1992.

Hiroshi Takano, executive managing director of Hitachi, said, "the development of next-generation decoder ICs [integrated circuits] is indispensable to the mass marketing of HDTV receivers."

Senri Miyaoka, Sony managing director, said, "one of the factors involved in the market of development [passage as received] of HDTV is the realization of a cost-efficient decoder."

Industry sources also see the third HDTV pact as contributing to increasing purchases of foreign chips in line with the renewed U.S.- Japanese semiconductor agreement.

The agreements are also perceived as easing U.S. fears of falling behind in the race to develop HDTV, which is considered by some analysts to have a wide-range of potential applications, including military. The U.S. has yet to set an HDTV standard.

NHK's decoder compresses the TV signal and converts it to analog before it is broadcast. Decoders in TV sets reconstruct the analog signal into digital form to produce the original picture.

NHK has been broadcasting one-hour of HDTV programming since mid-1989. The launching of NHK's BS-3B satellite on August 25 is expected to enable the TV broadcaster to boost the number of hours of programming in the future.

HDTV technology in Japan doubles the number of scanning lines to 1,125 as opposed to 525 lines used in National Television Standards Committee (NTSC) broadcasts in the U.S. and Japan today, producing cinema-like picture quality and sound quality equal to a compact disc.

Pictures in HDTV format have a movie-screen 16:9 width to height ratio as opposed to today's standard of 4:3.

Cosmo Oil Negotiating Crude With Kuwait

OW3008023191 Tokyo KYODO in English 0143 GMT 30 Aug 91

[Text] Tokyo, Aug. 30 KYODO—Cosmo Oil Co. has begun negotiating with Kuwait Petroleum Corp. (KPC) for purchase of Kuwait crude oil, Cosmo officials said Friday.

NIKKAN KOGYO SHIMBUN, an industrial daily, reported Cosmo is negotiating the deal with KPC assuming that it receives 30,000 barrels a day for three months from October on a direct-deal basis.

This will be the first resumption of Kuwaiti crude oil exports for a Japanese company, the daily said.

While mentioning Cosmo is probably the first to have started detailed negotiation with KPC, the officials said there is much to be agreed, including price, quantity, and kinds of crude, before the deal is struck.

Corporation Procures Plant Equipment From Soviets

OW3008004991 Tokyo KYODO in English 2332 GMT 29 Aug 91

[Text] Tokyo, Aug. 30 KYODO—Toyo Engineering Corp. has begun procuring equipment for plants from the Soviet Union, an industrial daily reported Friday.

The shipment of pressure container equipment for a chemical plant will be delivered early next month to a plant in Indonesia now under construction by Toyo, the NIHON KOGYO SHIMBUN said.

Toyo Engineering purchased the equipment for more than 1 million dollars. It was produced at a factory on the outskirts of the Black Sea the paper said.

The company sent engineering staff to the factory to instruct on production techniques and check quality, the paper added.

Mongolia

Democratic Leaders Comment on Soviet Coup

OW2908121091 Ulaanbaatar Radio Ulaanbaatar in English 0910 GMT 28 Aug 91

[Text] Leaders of democratic forces in Mongolia have held a press conference in Ulaanbaatar on the position of the leadership of the ruling Mongolian People's Revolutionary Party during the recent development in the USSR. Some of the leaders of the Mongolian Democratic Union [words indistinct] stated at the press conference that the recent coup d'etat in the Soviet Union directly jeopardized the national security of Mongolia. He [as heard] explained the view that if the State Emergency Committee of the Soviet Union won, it would lead to economic pressure on Mongolia on the part of the USSR, on which Mongolia greatly depends, and also to a real possibility of making an attempt to carry out a coup d'etat in Mongolia by conservative forces. It has been informed at the press conference that new political forces in Mongolia are intended to obtain [words indistinct] of the law on the status of the state (?palace), which has been [words indistinct]. Also, the law on state of emergency, then discrediting the status of the newspaper ARDYN ERH as the state central organ, and the new interpretation of the Mongolian People's Revolutionary Party [words indistinct].

Armed Forces Deny Coup Plans During Crisis

OW3008071591 Ulaanbaatar Radio Ulaanbaatar in English 1445 GMT 29 Aug 91

[Text] A statement made by the Mongolian Armed Forces Headquarters has been read out on Mongolian television. The statement informs that during the days of existence of the so-called State Emergency Committee of the USSR, limited measures on raising the fighting [word indistinct] of some military units of the Mongolian Peoples' Army were taken. In this [words indistinct] but the people of Mongolia will understand that instability of political situation in a country can affect, in any way, its neighboring countries. The statement also vigorously rejected the information which [words indistinct] political forces of Mongolia about [word indistinct] the Mongolian Armed Forces were ready to carry out the same action as in the USSR.

Newspaper Admits Error in Publishing Documents

OW3008071791 Ulaanbaatar Radio Ulaanbaatar in English 1445 GMT 29 Aug 91

[Text] The [?statutes] of the government newspaper ARDYN ERH, which had been attacked by accusing it of publishing the full text of the Soviet State Emergency Committee's document during its existence, has been [?preserved] by decision of the State Small Hural after three days deliberations.

Editors of the newspaper have acknowledged the mistake of publishing these documents in [words indistinct].

Government Recognizes Independent Baltic States

OW3008060891 Ulaanbaatar Radio Ulaanbaatar in English 1445 GMT 29 Aug 91

[Text] Mongolia has recognized the independence of the Baltic republics of Latvia, Lithuania, and Estonia. This decision has been made at the ongoing extraordinary session of the State Small Hural, the Mongolian parliament. According to this decision, Mongolia is (?about) to establish diplomatic relations with the Baltic republics.

Yang Shangkun Holds Talks With Prime Minister

OW2708092991 Beijing XINHUA in English 0916 GMT 27 Aug 91

[Text] Ulaanbaatar, August 27 (XINHUA)—Visiting Chinese President Yang Shangkun said here today that frequent exchanges of visits between the Chinese and Mongolian leaders are conducive to the promotion of mutual understanding and friendship between the two countries.

Yang Shangkun made this remark when Mongolian Prime Minister Dashiyn Byambasuren called on him at the state guesthouse here this morning.

The Chinese President said that he had "very good talks" with Mongolian President Punsalmaagiyn Ochirbat on Monday, and their talks were followed by the signing of a number of agreements between the two governments, according to a spokeswoman for the Chinese Foreign Ministry.

"My visit to Mongolia has already been a complete success," the spokeswoman quoted Yang as saying.

Byambasuren described President Yang's current visit to Mongolia as "an important event in Mongolian-Chinese friendly relations."

Yang Shangkun said that he was very happy to have the opportunity to see for himself the achievements the Mongolian people have scored in the past 70 years under the leadership of their government. The Chinese Government and people sincerely hope that the Mongolian Government and people will make more achievements in the economic reform and revitalizing their country, he added.

In recent years, President Yang said, Sino-Mongolian relations of cooperation in economic, trade, scientific, technological and cultural fields have been developing in depth with the common efforts of the two sides.

He believed that "so long as the two sides abide by the principles laid down in the Sino-Mongolia friendship and mutual aid treaty signed in 1960 and China-Mongolia joint communique issued last year, the Sino-Mongolian friendly and cooperative relations will continue growing steadily."

The Mongolian prime minister agreed with the Chinese president, saying that the talks held yesterday between the two presidents were "very fruitful" and the two governments signed a number of "important agreements" after the talks.

These agreements, Byambasuren continued, will not only benefit the two countries in economic development, but also help Mongolia to develop relations with other Asian countries.

He stressed that his government will make active efforts in implementing the agreements reached by the heads of state of the two countries.

He said that he was very glad to see the restoration of the traditional relationship of mutual understanding and sympathy between the Mongolian and Chinese peoples. He extended his congratulations to the Chinese people on their tremendous achievements scored in their socialist modernization drive. "You have a lot of experiences worth our learning," he said.

The Chinese president said, "there is still a lot to be done between our two countries. Our two sides have a common aspiration of doing a better job in our bilateral cooperation. Restoration of the traditional friendship is not enough. We should further develop it."

Yang Shangkun, on behalf of Chinese Premier Li Peng, invited Byambasuren to pay an official visit to China at a time convenient to him.

Byambasuren accepted the invitation "with pleasure."

Completes Visit, Signs Agreements

OW3008061291 Ulaanbaatar Radio Ulaanbaatar in English 1445 GMT 29 Aug 91

[Text] The Chairman of the Peoples' Republic of China, Yang Shangkun, has completed his third day official and friendly visit to Mongolia at the invitation of the Mongolian President Punsalmaagiyn Ochirbat. During his visit Mr. Yang Shangkun has talked with the Mongolian President, where the two sides have stressed the importance of strengthening Mongol-Chinese relations. [Words indistinct] between Mongolia and China, but also has very good effect on peace and stability on the Asian continent.

During Yang Shangkun's visit a number of intergovernmental cooperation agreements have been signed. Among them the most important ones for Mongolia are an agreement on Mongolia's access to the sea and [word indistinct] transportation via the territory of the Peoples' Republic of China, and agreement granting credit on the part of China to Mongolia [words indistinct] sending Mongolian [word indistinct] to China.

The Chinese side has also rendered a [words indistinct] which includes 17 [words indistinct].

North Korea

Defense Secretary Cheney's Comments Interpreted

SK2908051691 Pyongyang KCNA in English 0457 GMT 29 Aug 91

["Slogan of Aggression for Interference and Domination"—KCNA headline]

[Text] Pyongyang August 29 (KCNA)—NODONG SINMUN today comments on the outcry of U.S. Defence Secretary Cheney that the deployment of U.S. troops in the Asia-Pacific region is not "charitable work" but for the "interests of the United States". His utterances reveal the sinister intention of the United States to constantly deploy U.S. armed forces in others' areas for arbitrary interference and aggression, the news analyst notes, and goes on:

The U.S. imperialists had justified the deployment of their troops in the Asia-Pacific region, claiming that it is for the "security" in this region. The utterances of Cheney, however, prove that all this was a mere smokescreen to hoodwink and befool public opinion at home and abroad and cover up their aggressive designs.

The U.S. imperialists have deployed their troops and nuclear weapons in South Korea to meet their aggressive needs, not for "protection" of someone. They attempt to ignite a new war of aggression against the North with South Korea, a military vantage, as an anti-communist bulwark and a nuclear forward base to stifle our Republic and expand its flame.

"Interests of the United States" is a slogan of aggression aimed at keeping as ever South Korea under its illegal occupation, outrageously interfering in the internal affairs of our nation and launching another war against the North.

The U.S. imperialists have no justification to keep their troops and nuclear weapons in South Korea.

ROK Denounced at Geneva Human Rights Session

SK2808103791 Pyongyang KCNA in English 1007 GMT 28 Aug 91

[Text] Pyongyang August 28 (KCNA)—A delegate of the international league for the rights and liberty of peoples condemned the South Korean authorities' violation of human rights at the 43rd session of the sub-committee on prevention of discrimination and protection of minorities which was held at the building of the United Nations in Geneva on August 22, according to a report.

In his speech the delegate said that in South Korea there are now more than 3,750 political prisoners and 4,100 prisoners of political colouring the No Tae-u's "commitment to democracy" not to let even a single political prisoner remain is a lie and the South Korean authorities set a world record in violation of human rights.

Some 80,000 combat police play the role of martial law troops under a permanent state of emergency and all freedom and rights are facing reckless suppression by horrible regulations and by the "Security Planning Board," "secret affairs command", anti-communist section of police and other law-executing bodies in South Korea, he said, adding:

The South Korean "government" is using the "national security law," "law on assembly and demonstration", etc. as a major ruling means and institutional tools of suppression, saying that they are needed under the pretext of the fictitious "threat from the North".

The main factor of violating human rights in South Korea lies in that the authorities do not allow the people to have free and independent option and action rights.

Such a judicial and political injustice must be stopped. The authorities should abolish all suppressive laws and executive organs, release all the political prisoners and those who have been arrested for political reasons and withdraw the steps against the anti-government movement activists for reunification.

'Crackdown' on Dissidents in South Denounced

SK2908060191 Pyongyang KCNA in English 0514 GMT 29 Aug 91

["Unfounded Repression"—KCNA headline]

[Text] Pyongyang August 29 (KCNA)—The South Korean "police agency" on August 26 applied for arrest warrants for 19 persons including Pak Song-hui, a third-year dropout of the history department of Yonsei University, on the charge of violation of the "National Security Law".

Commenting on this, NODONG SINMUN and MINJU CHOSON today brand this as another unfounded crackdown on the patriotic, democratic forces.

According to the announcement of the puppet police, they formed an organization called "Revolutionary Group for People's Democracy Against Imperialism and Fascism" (Chepagurup) in January and staged the May Day demonstration and the May 18 general strike in league with dissident forces including the "National Council of Trade Unions" (Chonnohyop) with Seoul, Pusan and Ulsan industrial districts as the bases and scattered various literatures on the scenes of rallies and demonstrations following the fatal beating of Kang Kyong-tae.

If the announcement is true, their struggle can never be a target of suppression, the NODONG SINMUN analyst says, and continues:

The struggle of the South Korean people including the members of Chepagurup is a product of the acute socio-political crisis within South Korea and their movement for independence.

By criminalising and suppressing their righteous struggle, the No Tae-u group has stripped itself bare as a treacherous group seeking subjugation, not independence, fascism, not democracy, and division, not reunification.

The No Tae-u ruling quarters are trying to charge Chepagurup, which was allegedly formed in January, with attempting "a revolution through armed uprising" by infiltrating into dissident forces including Chonnohyop, a powerful organization of the labour movement which had been active from long ago. This is a far-fetched argument that cannot go down with anyone.

A news analyst of MINJU CHOSON says that the No Tae-u group is trying to save its rule from a serious crisis and gratify its wild ambition for a long-term office by removing those who took the lead in the struggle of the people for independence, democracy, reunification and the right to existence.

Boris Pankin Appointed Soviet Foreign Minister

SK2908145591 Pyongyang Korean Central Broadcasting Network in Korean 1200 GMT 29 Aug 91

[Text] According to a TASS report, on 28th August Boris Pankin was appointed as the Soviet Foreign Minister by the decree of Soviet President Mikhail Gorbachev.

SKNDF Commemorates 22d Anniversary in Tokyo

SK2908044291 Pyongyang KCNA in English 0411 GMT 29 Aug 91

[Text] Tokyo August 27 (KNS-KCNA)—Officials of the mission of the South Korean National Democratic Front [SKNDF] (Hanminjon) in Japan held a meeting here on August 26 on the occasion of the 22nd founding anniversary of the mission.

Pyon Tae-song, deputy chief of the mission, said the founding of the Revolutionary Party for Reunification, the predecessor of Hanminjon, on August 25, 1969, was a substantial fruition of the chuche-based idea and theory of party building and a historical declaration announcing the daring start of the movement for social transformation in South Korea.

Noting that the righteous movement for independence, democracy and reunification of the people from all walks of life including workers, peasants and students, under the guidance and influence of Hanminjon, has entered a higher stage of development to apply the chuche idea, and the U.S. imperialists and their stooges are finding themselves in a worse crisis, dealt a telling blow in the midst of the fierce flames of massive resistance, he stressed: the struggle of the South Korean people who are advancing under the banner of chuche is sure to be crowned with victory.

The participants in the meeting hardened their determination to undauntedly fight in the future to bring about a reunified country in 1995 at any cost.

Film Show Commemorates Vietnam's National Day

SK2908043891 Pyongyang KCNA in English 0409 GMT 29 Aug 91

[Text] Pyongyang August 29 (KCNA)—A film show took place here Wednesday [29 August] on the occasion of the 46th anniversary of the national day of the Socialist Republic of Vietnam.

Vietnamese Ambassador E.P. to Korea Nguyen Van Trong and his embassy officials were invited to it.

Present on the occasion were Yi Kwan-su, vice-chairman of the Education Commission and chairman of the Korea-Vietnam Friendship Association, O Mun-han, vice-chairman of the Committee for Cultural Relations With Foreign Countries, and other officials concerned and working people in the city.

The participants saw a Vietnamese feature film.

SKNDF Cuban Mission Chief Gives Address

SK3008045491 Pyongyang KCNA in English 0416 GMT 30 Aug 91

[Text] Havana August 28 (KCNA)—Yi Chong-sang, chief of the mission of the South Korean National Democratic Front [SKNDF] (Hanminjon) in Cuba, on August 26 made an address over radio international Havana, calling upon the Korean residents in the United States to join in the struggle to force the U.S. troops and nuclear weapons out of South Korea.

He said that the U.S. nuclear bases in South Korea are the most dangerous hotbed of war fraught with touch-and-go explosiveness.

Anyone who was born of the Korean nation should actively turn out in a struggle to get the U.S. troops and nuclear weapons withdrawn from South Korea, he noted, and stressed:

The Korean residents in the United States should place the interests of the nation before anything else and unite as one, transcending all differences in ideology, political views and religious beliefs.

Visiting Danish Party Chairman Views Socialism

SK2808105891 Pyongyang KCNA in English 1019 GMT 28 Aug 91

[Text] Pyongyang August 28 (KCNA)—Preben Moller Hansen, chairman of the Danish Workers' Party, Common Cause, was interviewed by reporters in Pyongyang on August 26.

While touring Pyongyang and local areas, I deeply felt that socialism in Korea is the most excellent society which thoroughly guarantees true democracy, he said, and continued:

Miracles unimaginable in the capitalist society in which interests of individuals are placed before anything else are being wrought one after another in the socialist society of Korea in which the spirit of collectivism is fully displayed.

That is why the Korean people are leading a happy material and cultural life to their heart's content without worries about food, clothing and housing.

All the achievements in Korea are unthinkable apart from the leadership of the Workers' Party of Korea.

The struggle of the Korean people who are building peculiar socialism under the leadership of the party, holding the great President Kim Il-song in high esteem as the leader, is giving great courage and confidence to the world's revolutionary people.

Comrade President Kim Il-song is the great leader of the people who liberated the country through the revolutionary struggle against Japanese imperialism and has devoted his all to the happiness of the Korean people and the prosperity of the country.

The U.S.-led imperialists are further intensifying the anti-socialist moves than ever before, he said, and stressed: The realities of Korea eloquently show that socialism is powerful and will emerge victorious.

He further said:

In Korea, the chuche idea is a motive force which dynamically rouses all the members of society in the socialist construction and a powerful weapon which brings happiness and progress to the people.

I had the honor of being received by President Kim Il-song.

Through his energetic activities, he gives perfect answers to all the problems arising in the Korean revolution and the world revolution.

Comrade Kim Chong-il is wisely leading the Workers' Party of Korea founded by President Kim Il-song.

Indeed, he is the great leader who is adding lustre to Korea.

Comrade Kim Chong-il set the chuche idea as the correctest guiding idea of socialist construction and is successfully applying it.

It is thanks to his energetic leadership that Korea has earned world-wide fame.

Party, Government Commemorate First Youth Day

SK2908123891 Pyongyang Korean Central Broadcasting Network in Korean 1200 GMT 28 Aug 91

[Excerpts] Youth across the country are splendidly celebrating Youth Day amid the blessings of the entire population.

Youth who are marking the significant Youth Day after receiving the dear leader Comrade Kim Chong-il's historic letter entitled "Youth Should Become the Young Vanguard Unit Boundlessly Loyal to the Party and Leader" with great emotion and passion, looking back emotionally on the arduous and rewarding path of struggle traversed by the Korean youth movement, the offshoot of the Down-With-Communism Union, were full of revolutionary faith and firm will to brilliantly consummate the chuche revolutionary cause from generation to generation under the guidance of the party.

Cadres of the party and government today went to the plants, enterprises, construction sites, cooperative farms, and Korean People's Army and Korean People's Security Forces units and encouraged them, offering congratulations to them and enjoying the festive day.

Comrades O Chin-u, Choe Kwang, and Minister of Public Security Paek Hak-nim spent a meaningful day through their visits to young soldiers defending the fatherland's waters, anti-aircraft battery soldiers defending the blue skies of the fatherland, and the soldiers of the Korean People's Security Forces. They encouraged those who are training themselves revolutionarily by taking advantage of the military service during their youthful days to smash the enemy's maneuvers to provoke a new war, and defend their fatherland like a steel-reinforced fortress.

Comrades Pak Song-chol, Kye Ung-tae, So Yun-sok, Hong Song-nam, Kim Chol-man, Kim Pok-sin, Hong Si-hak, Kim Chung-nin, Pak Nam-ki, and Kim Hwan today visited a host of plants and enterprises, such as the Taean Heavy Machinery Complex, Sariwon Textile Plant, Anju District Coal Mining Complex, Pukchang Thermal Power Complex, Wonsan Knit Garment Plant, Komdok Mining Complex, Chollima Steel Works, Sunchon Vinalon Complex, and 8 February Vinalon Complex, spending the first Youth Day with the youth. [passage omitted]

Comrades Kang Hui-won and Kim Chang-chu celebrated the first Youth Day with the construction workers and agricultural workers. [passage omitted]

Joint Meeting Held To Celebrate

SK2908045091 Pyongyang KCNA in English 0422 GMT 29 Aug 91

[Text] Pyongyang August 29 (KCNA)—A national joint meeting of youth delegates was held at the Mangyongdae Fun Fair on August 28 to celebrate the first Youth Day.

The festively decorated fun fair was crowded with delegates to the Youth Day celebrations from the provinces, youth and students and working people in the city.

Choe Yong-hae, chairman of the C.C. [Central Committee], the League of Socialist Working Youth (LSWY), and officials concerned were present.

Seen there were members of the delegation of the Korean youth and students in Japan and the delegation of the Council of Youth Associations of Japan who came here to participate in the celebrations of the Youth Day.

A speech of Kim Song-chol, vice-chairman of the C.C., the LSWY, was followed by an art performance of young artists.

The mixed duet "Waltz of Youth Day", the group singing "Youth Day Is Our Holiday", men's folk song duet "Ring of the Cow Bell", the woman vocal solo "Days of Maidenhood" and other numbers put on stage delighted the participants in the joint meeting who was significantly celebrating the first Youth Day under the deep love and care of our party.

Members of the delegation of the Korean youth and students in Japan also sang loudly in chorus "The Looks of Korea" and members of the delegation of the Council of Youth Associations of Japan sang "Korea Is One" and "Whistle" in Korean, boosting the gala atmosphere of the joint meeting.

At the end of the performance the participants danced to the tune of merry music and then spent a joyful time playing amusement games and riding on fun fair facilities.

In the evening a dancing party of Pyongyang youth and students, "Evening of Youth," was held at the Kim Il-song Square.

Response to Kim Chong-il Letter

SK2908042991 Pyongyang KCNA in English 0400 GMT 29 Aug 91

[Text] Pyongyang August 29 (KCNA)—"Young Men and Women, Be the Young Vanguard Unfailingly Loyal to the Party and the Leader," a letter sent by the dear leader Comrade Kim Chong-il to the young people throughout the country and the workers of the League of Socialist Working Youth (LSWY) on the occasion of the first Youth Day, is evoking a lively response from among them.

Kim Song-chol, vice-chairman of the LSWY Central Committee, said the historic letter of the dear leader is a highly important, great work which has further developed and enriched the ideas and theories of the youth movement with new propositions and content.

He noted that in the work the dear leader elaborated on the question of the role and position of the young people in the revolutionary struggle for realizing the independence of the popular masses and in the building of a new society, the question of clearly seeing through the aggressive nature of imperialism and the reactionary nature of the exploiting system and waging an uncompromising struggle against them and tasks to promote the cause of national reunification and strengthen militant unity and friendship with the young peoples of different countries in the world under the slogan of anti-imperialist solidarity, peace and friendship.

Kang Ung-kil, vice-president of Kumsong Political University, said:

The dear leader said young people constitute the most vigorous force of the society, and they are the reliable heirs to the revolution. If our young people are to be the reliable young vanguard in accomplishing the revolutionary cause of chuche, they must safeguard the party and the leader politically and ideologically with their lives in any adversity, uphold the leadership of the party and the leader with loyalty, acquire the chuche idea as their unshakable faith and be the vanguard and shock force in implementing the party's lines and policies to the end.

Yi Yong-sun, a worker of the youth spinning shop of Pyongyang textile combine, said:

As the dear leader said, youth is a most valuable period in the life of man.

We young spinners will staunchly struggle under the banner of the three revolutions, ideological, technical and cultural, invariably remaining loyal to the party and the leader under whatever conditions and circumstances, and thereby further exalt the people-centred socialism of our own style established by the great leader Comrade Kim Il-song and led by the dear leader Comrade Kim Chong-il.

Further on Kim Chong-il's Letter

SK3008113291 Pyongyang KCNA in English 1013 GMT 30 Aug 91

["Comrade Kim Chong-il on Safeguarding Firmly Socialism of Our Own Style"—KCNA headline]

[Text] Pyongyang August 30 (KCNA)—In "Young Men and Women, be the Young Vanguard Unfailingly Loyal to the Party and the Leader," a letter to the young people throughout the country and the workers of the League of Socialist Working Youth, on the first youth day, the dear leader Comrade Kim Chong-il called upon the young people to safeguard strongly the socialism of our own style and add lustre to it.

Comprehensively elaborating on the mission and duty of the Korean youth movement at present and political and ideological tasks and economic tasks for their implementation and tasks in the building of youth organizations, Comrade Kim Chong-il stressed:

Today the honourable duty which has been entrusted to our young people by the times and the revolution is to safeguard strongly the people-centred socialism of our own style and develop it further.

The young people of the first and second revolutionary generations rendered distinguished services in national liberation and in building the best, people-centred socialism of our own style in the liberated country; those of the third and fourth revolutionary generations must safeguard and develop it with credit. There is no more important task for our younger generation today than to defend and safeguard our socialist system firmly from the moves of the imperialists and other reactionaries and develop it further.

In order to carry out their noble mission and duty to the times and the revolution, the young people must prepare themselves as ardent revolutionaries, as the young vanguard.

Comrade Kim Chong-il continued:

Young people must solve all problems in our own way as required by the chuche idea. They must not be infected with any element of heterogeneous ideology and way of life.

The young people must see and judge all social phenomena from the point of view of the working class and on socialist principles; they must clearly understand the aggressive nature of imperialism and the reactionary nature of the exploiting system, and fight them without compromise. They must be staunch particularly in the fight against the U.S. imperialist aggressors who, having occupied the southern half of our country, impose the tragedy of national division upon our people and are bringing the dark clouds of a nuclear war on the Korean peninsula.

Our young people must take a great pride in being the Korean nation who are blazing the trail for socialist cause honourably under the banner of the chuche idea; they must uphold the leadership of the party and the leader faithfully and firmly defend the chuche idea at all times and in all places and work hard to display the superiority of our socialist system to the full. The young people should sing the songs about our leader, our party and our socialism, our songs overflowing with national sentiments and live in accordance with the national feelings and preferences of our people.

Noting that the imperialists start their machination to destroy socialism with ideological and cultural infiltration which affects the young people before anybody else, Comrade Kim Chong-il continued:

In order to disintegrate and disrupt from within our country which is advancing under the unfurled banner of socialism, the imperialists and reactionaries are now viciously trying to spread reactionary ideology and culture and degenerate way of life. Young people should be on the alert against the schemes of the imperialists and the reactionaries and strongly fight against the decadent bourgeois ideology, culture and way of living so as to make sure that even an iota of them does not make an inroad upon our country.

Reunifying the divided fatherland is the greatest national desire of our people and the most urgent task facing the young people—the new generation, Comrade Kim Chong-il noted, and stressed:

Young people should resolutely smash the "two Koreas" plot of the U.S. imperialists and their South Korean stooges and develop an energetic struggle to carry out our party's policy on national reunification, and thus reunify the country in the 1990's at all costs.

Noting that apart from the growing, younger generation, the advance of the revolution and its ultimate victory would be inconceivable, Comrade Kim Chong-il stressed: As long as the younger generation is unfailingly loyal to the party and the leader, our revolution will be able to overcome any storm and trial and will emerge victorious without fail.

Improving Economic Management 'Urgent Demand'

SK2908230491 Pyongyang KULLOJA in Korean No. 6 Jun 91 pp 68-73

[Article by Kim Chae-yul, "Enhancing the Level of Functionaries' Economic Management Is the Urgent Demand of Reality in Development"]

[Text] What is important in successfully accomplishing the economic tasks and effecting ceaseless upsurges in the socialist construction this year is to further improve the economic management according to the demand of reality in development.

Improving the economic management is essential all the time in the entire course of the socialist construction. However, it is even more urgent today, when large construction projects are being vigorously carried out and when we vigorously struggle to fully mobilize and utilize all production potentials for production and construction.

To manage the economy scientifically and properly by improving the economic management, it is, above all, important to enhance the level of the guidance functionaries' economic management. This is because they are those who are in charge of the economic organizational work and production.

The great leader Comrade Kim Il-song has taught: Economic guidance functionaries should study party policy deeply and build up the knowledge of economic management. By so doing, they should ceaselessly enhance the level of their economic management according to the objective economic rules and the demand of reality in development. (Booklet "Let Us Even More Highly Display the Superiority of Our Country's Socialism," p 14)

In a nutshell, the level of functionaries' economic management is a capability of organizing and leading the social labor, the people's economic activities. In other words, it is a synthesis of the knowledge of economic management and the capability of putting it into practice.

The level of functionaries' economic management is one of the important factors which determine the scientific and proper management and operation of the socialist economy.

The great leader Comrade Kim Il-song early on worked out the chuche-oriented socialist economic management theory and established the unique economic management system and method by brilliantly embodying the chuche idea in the area of economic management, thus illuminating the path to managing and operating the economy scientifically and properly according to the intrinsic demand of the socialist society.

We have the Taean work system, which is an embodiment of the chuche-oriented economic management concepts and theories, and other scientific and revolutionary economic management systems. We also have a superior economic management method with which we can mobilize the popular masses' endless creativity and solve the problems of the economic construction. So, success in economic management now largely depends on the level of functionaries' economic management.

Only when the level of their economic management is high, can the functionaries accomplish their mission as the commanding staff who are at the helm of the socialist construction, and the superiority and vitality of socialism of our own style be even more highly displayed by managing and operating the economy scientifically and properly.

Enhancing the level of functionaries' economic management and operation is an urgent demand, because the size of the economy grows and modern technology is introduced as the socialist construction is carried out.

The socialist economy is a large economy in which all social sectors are tightly interlocked with one another. The socialist economy should be managed and operated under a uniform and centralized system. This is the intrinsic demand of a socialist society. As the socialist construction is carried out, new plants, enterprises, and other production facilities are ceaselessly established, fixed assets increase, and new regions are developed. In this course, the economy of the country ceaselessly grows.

To properly manage and operate our socialist economy which is large in size and which develops at a rapid pace, the economic guidance functionaries should properly strengthen the relationships among the sectors of the people's economy, the units of production, and the regions, and should ceaselessly improve the transport work by meticulously conducting the economic organizational work and production management.

The level of the technology and equipment of the economy has been enhanced in all sectors and units of the people's economy through the vigorous technological revolution. Under these circumstances, only when functionaries are highly capable of managing the economy, will it be possible to manage and operate the economy even more properly.

In our country today, through the implementation of the party policy of the chucheization, modernization, and scientification of the people's economy, the production processes are being semiautomated or fully automated and computerized, and robots being introduced in the production processes. Along with the vigorous modernization of the people's economy, the pace of production has been remarkably quickened. As a result, the material, fuel, and power consumption is increasing and the volumes of products are also growing. This motivates us to more meticulously conduct the economic organizational work in all stages of the reproduction courses—production, distribution, exchange, and consumption. This also urges improvement in cooperative production and transport work and in meeting the growing social demands for raw materials even more properly. Moreover, today, as a result of the development of the social division of labor and the cooperative labor, more and more production units are participating in the cooperative production for the production of high precision modern equipment. So, only when all these production units and elements are properly meshed with one another like gears in producing and supplying cooperative products, can the production of end products be stabilized at a high level. In this connection, the economic guidance functionaries are urged to scientifically conduct the economic organizational work and aggressively conduct the production management in the society and at plants and enterprises.

Functionaries should possess the knowledge of modern science and technology and the knowledge of economic management. At the same time, they should meticulously conduct the planning work and should be accurate in concluding contracts. They should also improve the management of facilities, materials, manpower, and funds and improve the production management. Only then, can successes be won in production and construction.

Enhancing the level of functionaries' economic management is an urgent task also for mobilizing hidden resources in all sectors and units of the people's economy to actively step up production and construction.

Mobilizing the hidden resources and stepping up the production and construction are the demand of our party policy.

The level of functionaries' economic management should be enhanced to unearth and mobilize hidden resources and to step up production and construction under the militant slogan "Let Us Add Luster to the Existing Economic Foundations Through Production and Conservation!" adopted at the 17th plenary meeting of our 6th Party Central Committee. Of course, a revolutionary way to unearth and mobilize hidden resources is to vigorously conduct the political work to mobilize the working people's revolutionary zeal and creativity, and to actively wage the technological revolution. At the same time, investments should be made correctly to increase economic effects, the elements of production should be meshed with one another adequately, and proper methods should be used in the industrial management. This is also an important way to produce more and to build more with available economic resources.

The higher the level of functionaries' economic management is, the more we can produce and build by using available economic resources—the effective utilization of materials, fuel, power, manpower, funds, and resources and the proper facilities and technological management. Only when the level of functionaries' economic management is high, can misdirected shipment and double shipment be prevented and unnecessary expenses be avoided to reduce the costs of products and increase the per capita production.

In particular, the level of functionaries' economic management should be decisively enhanced in order to accomplish the huge economic construction tasks facing us today.

This year we have huge economic construction tasks to be accomplished to further improve the people's standards of the material and cultural living in compliance with the socialist demands. To this end, we should give firm priority to the leading sectors of the people's economy, should effectively utilize the existing economic foundations, and stabilize production at a high level. Priority should be given to the mining and power industries and to the railway transport and a great emphasis should be placed on the development of the metallurgical industry according to the party's intention. By doing so, we should effect innovations in all these sectors. Only then, can the overall economic construction be more vigorously accelerated. In this respect, it is important to accelerate the construction of the Sariwon Potash Fertilizer Complex, the 9 October iron works, power plants, and other facilities which are the most important to attain the major goals of the Third Seven-Year Plan.

Improving the people's standard of living a level higher in a short period is our party's uncompromising determination. To implement the party's far-reaching plan to improve the people's standard of living, emphasis should be placed on agricultural production to increase the production of grains and other farm products, and the production of textiles and other people's consumer goods should be epochally increased by accelerating the light industrial revolution. At the same time, it is important to build more modern houses in the urban and rural areas and to continue to vigorously accelerate the Tongil Street construction in Pyonyang in particular.

To successfully accomplish our huge tasks, the functionaries should further improve the economic organizational work and more meticulously conduct economic management. This can successfully be done, only when the level of functionaries' economic management is enhanced.

No matter how enthusiastic they may be, the functionaries would create unintended difficulties in implementing the party's economic policy by miscalculating in economic management and by carrying out improper management activities, if the level of their economic management is low.

This is precisely the reason why our party from those early days of the socialist construction has continued to always regard the question of enhancing the level of functionaries' economic management as one of the factors determining success in the socialist economic construction, and take many steps to properly settle this matter.

The economic guidance functionaries should ceaselessly enhance the level of their economic management by deeply realizing the heavy responsibilities they have to assume in the socialist economic construction. By doing so, they should actively contribute to improving the economic management.

The great leader Comrade Kim Il-song has taught: The economic guidance functionaries, with a firm belief in our party policy, should thoroughly defend and implement the chuche-oriented economic management principles by displaying the high revolutionary spirit and should responsibly conduct the industrial and production management according to the demand of the Taean work system. (Booklet "Let Us Even More Highly Display the Superiority of Our Country's Socialism," p 14)

What is most important in enhancing the level of functionaries' economic management is to arm oneself with our party's ideas and theories on the chuche-oriented socialist economic management and to deeply acquaint oneself with the superiority and vitality of the economic management system and method of our own style.

The ideas and theories of the chuche-oriented socialist economic management—the economic management system and method of our own style—are the encyclopedic ideas and theories of the economic management which illuminate the way to manage and operate the economy most scientifically and adequately according to the intrinsic demand of the socialist society. At the same time, they are the best revolutionary economic management system and method which highly display the superiority of socialism which is based on socialist principle. Only by arming themselves with the ideas and theories of the chuche-oriented socialist economic management and by deeply realizing the superiority and vitality of the economic management system and method of our own style, can the economic guidance functionaries conduct the economic organizational work in compliance with the demand of the party and revolution and according to the objective economic principles and solve the problems of the industrial management by relying on the popular masses who are the masters of the revolution. At the same time, only by doing this can the remnants of the old economic management system be eliminated and the socialist principles and methods be put into practice in economic management.

The brilliant achievements won in the socialist construction of our country clearly prove that our party's chuche-oriented socialist economic management ideas and theories and the unique economic management system and method of our own style are most scientific and accurate, and are matchlessly dynamic.

If our functionaries maintain a firm belief in our party's chuche-oriented socialist economic management ideas and theories—system and method—and put them into practice by displaying a highly revolutionary spirit, we can effect ceaseless upsurges in the economic construction.

If people have no confidence in what they have, they would look at what other people have. Today, there can never be anything other than our party's chuche-oriented socialist economic management ideas and theories—system and method—in managing and operating the socialist economy.

Our functionaries should firmly arm themselves with the chuche-oriented socialist economic management ideas and theories and thoroughly meet the demand of the economic management system and method of our own style under all circumstances. They should manage and operate the economy scientifically and correctly.

It is also important to learn the scientific economic management method in enhancing the level of guidance functionaries' economic management.

Economic affairs and circumstances are supposed to be complicated in the course of management activities. Accordingly, it is urgent for the functionaries to learn a scientific economic management method to deal with these affairs and circumstances.

In this respect, it is important to correctly calculate and analyze in implementing the established plan.

In implementing the established plan and in calculating and analyzing, emphasis should be placed on correctly evaluating the conditions and prospects of the elements of reproduction—facilities, materials, manpower, and funds. Only then, can most adequate technological and economic steps and actions be taken to improve productivity and to increase revenues for the state.

In this regard, the functionaries should possess a correct outlook on the established plan and on calculating and analyzing and should assume responsibility in dealing with these matters.

Our functionaries should establish realistic and aggressive plans. At the same time, they should establish a firm discipline that they fulfill their plans without fail, once plans are established.

Our functionaries should establish correct plans based on the great leader's teachings and party policy. They should mesh them with one another and should enhance the level of planning a step higher. In particular, the characteristics of plan and balance in the economic development should be firmly guaranteed by swiftly working out measures to avoid or rectify unbalanced indexes in economic activities. At the same time, it should be made possible to anatomically evaluate the results of the management activities and the related factors through correct computation work, including (?programming) [sichogyesan]. In addition, surpluses and deficits resulting from the management activities should be correctly evaluated by correctly analyzing the management activities and the industrial management should be properly conducted to create more revenues for the state.

Only those who establish plans correctly and who calculate and analyze correctly can manage and operate the economy according to the demand of the Taean work system. The functionaries should know this and should resolutely struggle toward this end.

What is also important in enhancing the level of functionaries' economic management is to become capable of competently utilizing economic means in management activities.

Correctly utilizing the economic factors of the socialist society—the independent accounting system, cost, price, profit, and remuneration system—since the means to improve the management and operation of the socialist economy is very important to normalizing economic management. Only by correctly utilizing economic means, can management and operation be made scientific and normal through uniform and planned state guidance and the economic management be improved and the working people's enthusiasm of production be enhanced by urging and controlling the eliminatation of the remnants of obsolete ideas. At the same time, the economic management can be properly conducted by urging the avoidance of and controlling all sorts of squander and in intensifying the conservation campaign.

Utilizing economic means is a very difficult and complicated task to apply economic rules and standards in economic management. It is accordingly necessary to enhance the level of functionaries' economic management. Only by enhancing the functionaries' talents and capabilities, can costs and prices be reduced, the profitability of enterprises be improved, and the basic economic work such as the application of the socialist remuneration system be correctly carried out, thus actively contributing to stepping up production and construction. If the level of their political theories is low and if their basic economic talents are poor, the economic guidance functionaries cannot properly utilize economic means, and cannot work out adequate measures to properly utilize the social labor.

Today, as the socialist economic construction is vigorously carried out on an enormous scale, only by increasing the rate of the utilization of the economic means by the functionaries, can the means of production be economically utilized by intensifying the accounting and control over the use of materials, equipment, and manpower through the means of spot commodities and the means of value.

Accordingly, the economic guidance functionaries should systematically reduce the rate of material consumption by further enhancing the level of management and operation, should strengthen the control of materials, equipment, and manpower by won, and should ensure correct cost accounting over every element of production, and proper basic economic work. By so doing, they should produce more and build more with what is available.

What is also important in improving the level of functionaries' economic management is to know how to produce good economic results with what is economically available and to immediately put what one knows into practice.

The socialist economic management is an organizing and commanding social function over the people's creative activities to create more material wealth through the effective utilization of the resources of production provided by the state. The economic management is precisely a task to organize and guide the people to win greater economic achievements with less expense and is a task to increase production and improve the qualities of products. Therefore, only by working out better strategies and measures to produce even greater economic results with what is economically available and by implementing them in production, can the economic guidance functionaries fulfill their missions.

In this regard, it is important to correctly evaluate what is used and what is produced. Even if production quotas are overfulfilled, it is still necessary to specifically analyze and to correctly evaluate to see if the overfulfillment is not a result of the overuse of materials, fuel, and manpower.

Today, when our country has the strong foundation of self-reliant socialist national economy and when its potential of production is matchless, production can be stabilized at a high level and the rapid pace of reproduction can be maintained, if the sectors and units of the people's economy make an effort to work out better strategies and measures and implement them properly.

It is the responsibility of the economic guidance functionaries to work out and implement measures to win even greater economic achievements with what is economically available. Accomplishing this task designed to dig out the potential of production largely depends on the level of functionaries' economic management.

In the past, our forestry sector put emphasis on the work to enhance the level of the functionaries' economic management and its functionaries went down to the base level with correct measures to vigorously arouse producers. As a result, the Ministry of Forestry could accomplish achievements by overfulfilling the given quotas of the state every month and every quarter. This experience shows that the economic organizational work and the guidance for production can be further improved and innovations can be ceaselessly effected in production and construction, if the level of functionaries' economic management is enhanced.

A basic way to enhance the level of the economic guidance functionaries' economic management and operation is to study ceaselessly.

A high level of political theories and talents of economic management is a precious result of hard work and study. Only by continuing politico-administrative study even under a complicated situation, can the economic guidance functionaries competently conduct the economic organizational work and offer production guidance according to the ceaselessly developing reality and according to the demand of the economic rules of the socialist society.

What is fundamental in study is to study the works of the great leader and party documents.

All economic guidance functionaries should systematically and comprehensively study the works of the great leader and party documents and should be completely familiar with them. They should defend the chuche-oriented socialist economic management theories and concepts and thoroughly implement the socialist principles and methods in the economic management under all circumstances.

They should also intensify the study of economic management and should become capable of solving any problems which come to the fore in the socialist economic construction.

What is urgent in this regard is that the responsible functionaries themselves firmly arm themselves with party policy and modern science and technology to be highly capable of conducting the economic organizational work and to lead their subordinates. The functionaries at higher units and other responsible functionaries should imbue their subordinates with profound theoretical knowledge and scientific and technological knowledge and should equip them with economic management capabilities—strategies and methods to solve the problems of production, thus enabling them to fulfull their responsibilities regardless of the situation.

Workshops, on-the-job training, technological seminars, and technological research classes should be periodically organized by the sectors and units to improve the functionaries' economic management capabilities at lower units.

To enhance the level of functionaries' economic management, a revolutionary spirit of responsibly performing one's function should be established.

Properly defining functions and carrying out one's given task according to the definitions are our party's major policy and are an important requirement to regularizing and standardizing industrial management.

Only by establishing a revolutionary spirit of responsibly performing one's function according to the established positions of the sectors and units, will it be possible to make all functionaries persistently struggle to accomplish their given tasks with self-awareness of being a master.

To perform as required in the definition of one's function, functionaries should deeply grasp reality. At the same time, they should rack their brains and make efforts to accomplish their given tasks. In this respect, it is necessary to establish a revolutionary spirit of correctly defining functions through collective discussions according to the demand of reality of development and regularly evaluate one's performance performed according to the definition. Then, all units and functionaries should establish a strict discipline and order of responsibly accomplishing their given tasks.

To enhance the level of economic management, the economic guidance functionaries should also work and live deep among producers.

Producers are the masters of production and technology. At the same time, they are the masters of management. Producers are those who are most familiar with the courses and prospects of production.

If guidance functionaries go down to the base level to pool strength with producers and properly cultivate them, appropriate economic management measures which can never be thought of in the office can be worked out. Accordingly, the economic guidance functionaries should make it a routine to go among producers to vigorously conduct the political work, the work with the people. They should provide opportunities for producers to participate in economic management and should actively lead them in fulfilling responsibilities and playing roles as the masters of production.

To enhance the level of the functionaries' economic management, positive struggle is necessary against the phenomena of deceipt in improving economic management capabilities among the functionaries.

All economic guidance functionaries should effect ceaseless upsurges in the economic construction by managing and operating the socialist economy scientifically and properly by further enhancing the level of economic management.

Coal Industry Minister on Construction of Mines

SK2908104591 Pyongyang KCNA in English 1002 GMT 29 Aug 91

[Text] The construction of coal mines and pits is going on briskly in Korea.

According to Pak Chon-kwon, director of the Construction Guidance Department of the Ministry of Coal Industry, a coal production capacity of more than 10 million tons will be created additionally before long, taking the ministry as a whole.

Seven coal mines and eleven pits are under construction at present.

The Sunchon District Coal Mining Complex which annually puts out millions of tons of high-caloric coal has created a new production capacity of one million tons this year. It will additionally create a production capacity of 2.5 or 3 million tons in the near future.

At the Anju District Coal Mining Complex, one of the most promising coal producers, Hwapung coal mine with a one million ton capacity will be put into operation within this year and the construction of new pits for the Chili and Soho coal mines has entered the final stage.

Work is under way for the development of promising coal mines in the Saebyol and Southern Districts of North Hamgyong Province.

Production capacities of above seven million tons will be created in these districts in a short period.

Meanwhile, with the progress of the construction of the Sariwon potassic fertilizer complex, the reconstruction and expansion of the Madong, Unpa and Pongsan coal mines, coal suppliers to the complex, are being pushed ahead at a high speed.

The first-stage construction of some 10 pits has been completed and the assembling of equipment is near completion to create an additional production capacity of more than one million tons.

KCNA Review of 30 Aug Pyongyang Press

SK3008050891 Pyongyang KCNA in English 0421 GMT 30 Aug 91

[Press review]

[Text] Pyongyang August 30 (KCNA)—NODONG SINMUN today carries news that the answers of the great leader President Kim Il-song to the questions raised by the managing editor of the Japanese newspaper MAINICHI SHIMBUN were reported and deeply studied in foreign countries.

Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea and president of the Democratic People's Republic of Korea, received messages of greetings and letters from different countries on the occasion of the month of international solidarity with the Korean people and the 38th anniversary of the victory of the Korean people in the Fatherland Liberation War, says the paper.

The daily gives an account of a meeting held on the lapse of 30 years since President Kim Il-song saw the electric locomotive "red flag" No.1 and gave teachings. It carries words of the chief director of the Japan-Korea cultural interchange association that President Kim Il-song is a great leader with noble endowments.

Works of the dear leader Comrade Kim Chong-il were studied and disseminated worldwide, says the press.

NODONG SINMUN reports that bodies at all levels of the General Association of Korean Residents in Japan (Chongnyon) began to study the book "Brilliant Leadership" recording the history of Comrade Kim Chong-il's leadership.

The Ugandan paper "THE ECONOMY" carried an article entitled "New Ideology and Theory on Intellectuals," says the paper.

"Modelling the Whole of Society on the Chuche Idea and Complete Victory of Socialism" is the title of an article of the paper.

News of achievements of working people in various domains of the national economy in the press includes reports that the Nakwon oxygen plant completed a test operation of parts of a 18,000-cubic metre oxygen plant, mining equipment production has gone up, autumn vegetables are being well tended on cooperative farms.

Papers inform the readers that Pak Song-hui and Song Yong-sung, delegates of the "National Council of Student Representatives" (Chondaehyop), visited Pyongyang University of Music and Dance and various other places in Pyongyang and souvenirs came to them from people across the country.

NODONG SINMUN carries a commentary denouncing the military promotions committed by the U.S. imperialists and the South Korea puppets on the military demarcation line and in the area along it.

South Korean news columns of the press include reports that a "political agitation team" for reunification was formed at Korea University in Seoul and brisk functions for national reunification are taking place in the religious circles.

An article of NODONG SINMUN analyses the serious crisis of the South Korean economy.

Printed in the press is news that the chief of the mission of the South Korean National Democratic Front in Havana called upon Koreans in the United States to join in the struggle to get the U.S. troops and nuclear weapons withdrawn from South Korea.

"Line of Great National Unity Is Patriotic Banner" is the title of a NODONG SINMUN article.

Conveyed in the press are voices of the foreign political and public circles strongly demanding the denuclearization of the Korean peninsula.

NODONG SINMUN in a commentary denouncs the U.S. imperialists' nuclear test.

It is reported in the paper that Comrade Jiang Zemin said the cause of building socialism with Chinese characteristics is a continuation of the revolutionary cause pioneered by veteran revolutionaries and the Iranian foreign minister rejected foreign troops' presence in the Persian Gulf.

A meeting marking the 22nd anniversary of the great September First Revolution in Libya was held in Pyongyang, says the press.

Papers convey words of the leader of the Iranian Islamic revolution that the Palestinian problem cannot be solved without the removal of Israel. They report about the appointment of the Soviet Foreign minister.

NODONG SINMUN runs an article titled "Imperialists' Aggressive Nature Never Changes" and MINJU CHOSON an article headlined "Denuclearlization of Korean Peninsula Is Urgent Requirement of Times".

South Korea

Demonstrations in North Urge Kims' Resignations

SK3008095691 Seoul TONG-A ILBO in Korean 30 Aug 91 p2

[Report from correspondent Yi Nak-yon in Tokyo]

[Text] The SEKAI NIPPO, a Japanese paper, quoting remarks made by Yi Kwang, chairman of the Union of Democratic Reunification of Koreans residing in Japan (Chaeilbon Hanguk Chosonin Minjutongil Yonmyong), reported on 30 August that a large-scale demonstration with the participation of approximately 6,000 or 7,000 persons was staged on 27 August in Sinuiju and in the areas near Sinuiju, North Korea, calling for the resignation of Kim Il-song and Kim Chong-il, father and son.

According to the paper, people from all walks of life participated in the demonstration. The demonstration seemed to have been riotous [pongdong] with the slogans entitled "Kim Il-song and Kim Chong-il, father and son, step down from power," "Down With the Kim Il-song regime."

The paper also said: The Army was mobilized into the areas, but it did not take any direct action against the demonstrators. Thus, it seemed that the demonstration was peacefully dissolved.

The paper reported that this was the first time for outsiders to have been learned about the demonstration, a large-scale political riot with the participation of thousands.

Chairman Yi said that he had heard it from his close contact in North Korea. The Japanese Foreign Ministry said, however, that it has no information about it at present.

It has been learned that incidents of looting food by residents took place successively from late June to the early July in the 36 local communities, which are near military positions, in North Korea. It has been also learned that, during the period, approximately 300 persons attempted to loot food in Sinuiju.

Official Says North To Produce MiG-21 by 1995

SK2908130691 Seoul KBS-1 Television Network in Korean 1200 GMT 29 Aug 91

[Text] A government official today said that North Korea is pushing ahead with production of MiG-21 fighters on its own based on technology it had acquired in the eighties after completing a fighter plant in (?Panghyon), North Pyongan Province. He also said that North Korea appears to be able to successfully produce the fighters on its own by 1995.

North's Uranium-Enrichment Know-How Doubted

SK3008040291 Seoul THE KOREA HERALD in English 30 Aug 91 p 1

[Text] North Korea certainly does not have the money, technological know-how, and electricity needed to develop and operate a uranium-enriching facility, a government official said yesterday asking not to be named.

This comment came after a recent British defense magazine, Jane's Intelligence Review, report that North Korea has completed a facility that can produce enriched weapons-grade uranium, in Pyongsan, south of Pyongyang.

"The facilities in Pyongsan, completed in 1984, are designed to dress and smelt uranium ores as North Korea began to exploit its 4-million-ton reserves," said the government official.

He said that the technological level of the facilities does not reach the rudimentary stages of producing nuclear fuel.

There is no need to attach any significance to the Yongbyon nuclear facilities' air cooling system, which is of the kind that Communist countries have been using to save construction costs, he said.

For example, the infamous Chernobyl nuclear plant, which gripped the world with nuclear hysteria when it exploded in April 1986, had the same air cooling system, the official said.

S-N UN Representatives Meet, Discuss Entry

SK3008080291 Seoul YONHAP in English 0750 GMT 30 Aug 91

[Text] Seoul, Aug. 30 (OANA-YONHAP)—South and North Korea agreed in meetings at the United Nations this week to ask other Asian nations to sponsor them for membership in the global body, a Foreign Ministry official said Friday [30 August].

Amb. No Chang-hui, head of the South's U.N. observer mission, and Amb. Pak Kil-yon, head of the North's mission, met on Aug. 26 and again on Thursday [29 August] to discuss entry procedures, he said.

Both Koreas are expected to be accepted as full members of the United Nations by the General Assembly on Sept. 17. The Security Council unanimously adopted a resolution Aug. 9 recommending their membership, but the two Koreas need a U.N. member to submit a resolution on their entry to the General Assembly, the official said.

"The two ambassadors agreed to request cooperation from India and other Asian neighbors in sponsoring the resolution," he said.

India is expected to gather co-sponsors next week and submit their names to the General Assembly by Sept. 13, he said.

Ambassadorial contacts between the two Koreas are normally limited to unofficial meetings at receptions or functions. The South and North Korean ambassadors met officially for the first time on May 27, and Pyongyang announced May 28 that it would seek U.N. membership separately from South Korea.

* Improving North Korea, U.S. Relations Noted

912C0255B Seoul TONG-A ILBO in Korean 19 Jun 91 p 2

[Article by reporter Yi Chae-ho: "The Background and Significance of the U.S. Policy Toward North Korea"]

[Text] It is, of course, not new that the United States will take a series of measures to improve its relationship with North Korea, if North Korea signs the nuclear safeguards accord.

The United States has been indicating its intention to improve its relationship with North Korea directly or indirectly whenever possible. The negotiations between the two nations in Beijing are part of such efforts. Through 16 counsellor-level meetings in Beijing, the United States has disclosed that it will take substantial measures to improve its relationship with North Korea if North Korea takes the following steps: sign the nuclear safeguards accord; make a positive contribution to the dialogue with South Korea; return the remains of the U.S. soldiers missing during the Korean war; agree with a plan to convert the Demilitarized Zone to a peace zone; and give up participating in terrorism. Among these five conditions, the United States put the highest priority on the signing of the nuclear safeguards accord.

The problem is that this U.S. policy was disclosed after North Korea indicated that it will seek an independent U.N. membership and that it intends to sign the nuclear safeguards accord. In other words, U.S. measures to improve its relationship with North Korea are no longer a mere suggestion, but a reality.

Although there are some doubts about the North Korean intention, it seems like a matter of time, as one Foreign Affairs Ministry official said, "Judging from the international political climate, North Korea has no choice but to sign the accord."

The U.S. policy reassures not only the United States and South Korea but also related nations of the following points. First of all, U.S. efforts to improve its relations with North Korea are based upon mutual benefit and gradual progressivism.

The current U.S. policy reflects the changes in its relationship with North Korea during the past two and a half years, since the first four measures for improving their relationship were announced on 31 October 1988. Although North Korea did not follow the five conditions completely, it responded to the South-North dialogue at the prime minister level; returned the remains of some of the missing U.S. soldiers in May 1990; restrained terrorism; and finally disclosed its intention to sign the nuclear safeguards accord.

The U.S. action was taken based on accumulated changes made so far, as one Foreign Affairs Ministry official said, "The American way of approaching North Korea is in contrast to that of Japan, which created confusion by abruptly sending Shin Kanemaru, former deputy prime minister, to Pyongyang to discuss the normalization of diplomatic relations between Japan and North Korea."

Second, the agenda in the U.S. measures for improving its relationship with North Korea in some sense appears to be so cautious that it can be interpreted as being passive. The United States is discussing only minimum measures necessary to induce North Korea toward an open policy and normalization of its relationship with North Korea, although there is a strong possibility of normalization of diplomatic relations between South Korea and China, followed by the Soviet Union, and ongoing progress in Japanese efforts to normalize its relationship with North Korea.

The opening of direct telephone lines is a good example of the cautiousness of the U.S. policy toward North Korea. Communications specialists point out that due to differences in satellite communications systems between the free and the communist worlds represented by Intelsat and Intersputnik, respectively, it is practically impossible to drastically increase the communication lines.

Although the U.S. AT&T will take a lead role in setting up a communications link between the United States and North Korea, it will initially use the existing lines in Japan, China, or the Soviet Union, due to the insignificant amount of communications demand between the two nations. Even in such a case, the number of communications lines will be very limited. Currently, there are only four direct communications lines between South Korea and the Soviet Union.

The issue of opening a system of savings accounts falls under a similar category as that of opening a direct communication line, because of very insignificant amounts of trade between the United States and North Korea.

In other words, despite its intention to improve its relations with North Korea, the United States has not completely loosened its vigilance or abandoned its distrust of North Korea. Such U.S. attitudes were reflected in a recent strong demand made to North Korea to demolish the facilities for reprocessing nuclear materials, independent from the signing of the nuclear safeguards accord. As one government official said, "The United States, being responsible for the division of the Korean peninsula, should play a more positive and decisive role in efforts to reunite the divided nation," we feel somewhat disappointed with such a passive U.S. attitude.

On the other hand, we cannot downplay the significance of the U.S. disclosure of the policy, since it is a starting point in the normalization of the relations between the two nations. In particular, the establishment of the official negotiation channel at the ambassadorial level can be an element in accelerating the improvement of the relationship between the two nations.

Lastly, it is important for the United States and South Korea to proceed in close cooperation during the normalization process between the United States and North Korea. As the relationship with the United States improves, it is clear that North Korea will revive the existing logic of a three-party meeting, and will insist that it will directly negotiate all the pending issues with the United States. Therefore, both South Korea and the United States are mutually responsible for controlling the speed of normalization between the United States and North Korea, based on the principle of inducing North Korea toward an open policy and alleviating the tension in the Korean peninsula.

Soviet Envoy Says Yeltsin Likely To Visit

SK3008102191 Seoul KBS-1 Radio Network in Korean 0800 GMT 30 Aug 91

[Text] Oleg Sokolov, Soviet ambassador to the ROK, said today that Boris Yeltsin, president of the Russian Republic, is going to visit Seoul in the near future. Ambassador Sokolov, who left for the USSR on 17 July to enjoy his leave, arrived this afternoon at Kimpo Airport. He said in a press interview today that there is no sign of a power struggle between Gorbachev, president of the USSR, and Yeltsin, president of the Russian Republic. He also said that Yeltsin's Seoul visit will be realized at the earlist date in accordance with diplomatic procedures.

Ambassador Sokolov said that he plans to visit Chongwadae on 31 August to directly deliver a personal letter signed by President Gorbachev to President No Tae-u.

In addition, he said that he extends thanks to the Korean people for supporting Soviet leaders, including President Gorbachev and Yeltsin, and the Soviet people. He predicted that, after the failure of the coup, the two countries' economic cooperation will be further strengthened.

Greeting him at the Kimpo Airport today were approximately 10 persons, including (Hirochuk), consul-general of the Soviet Embassy, and embassy staff.

* Yeltsin, ROK-USSR Relationship Analyzed

912C0255A Seoul MAEIL KYONGJE SINMUN in Korean 18 Jun 91 p 5

[Article by **Hwang In-chong**, vice president of the International Private Economic Council of Korea: "Emergence of Yeltsin and the ROK-USSR Relationship"]

[Text] A few days ago, Boris Yeltsin became the first president directly elected in the history of the Russian Republic. Although the Russian Republic is one of the 15 republics of the Soviet Union, it is the most important republic with half of the total population and three fourths of the land of the Soviet Union. Yeltsin has been promoting radical economic reform and demanding a strong independent power from the Kremlin. The following is an analysis on how Yeltsin will influence the future of the Soviet Union, and how the relationship between the Soviet Union and Korea will develop in the future.

The Soviet economy is in a serious crisis amidst high inflation and shortages of food and daily necessities. The six economic reforms since 1989 toward a market economy have not been successful due to the conflict between conservatives and reformists. A simple economic index indicates that the growth rate in 1990 was negative 2 percent and during the first quarter of 1991, it was negative 8 percent compared to the same period last year.

Due to a delicate position that Gorbachev inevitably had to take in order to politically survive between conservatives and reformists, the outside world cannot be sure about Gorbachev's determination for reform and about the fate of the reform movement. Consequently, the Western world reserved the economic aid to the Soviet Union.

Under such circumstances, Gorbachev has been persistently lobbying for support from the West by arguing that the failure of perestroyka will not only pose a threat to world peace but also result in a retreat in world history.

Despite the fact that Yeltsin is the first president elected by the Russian people, there is an element of conflict between Yeltsin and Gorbachev, who has supreme power as president of the Soviet Union endowed by the constitution, due to different power bases and different power structure between the Russian Republic and the Soviet Union. Considering the current Soviet crisis and the reservation of economic aid by the West due to Gorbachev's compromise with the conservatives, political cooperation between the two leaders will be inevitable, since they will agree that any political turmoil in the Soviet Union is not helpful for overcoming the current crisis.

The result of the Russian Republic's election, which achieved a practical democratization and acquired the support base of the people, provided the Soviet Union with a favorable edge in negotiating with the West for economic aid. On the other hand, considering the price they paid during the 45-year Cold War period, the West led by the United States might have established the following strategic goals and will try to achieve the goals by making the Soviet Union do the following: first, completely give up socialism by adopting brave measures to implement the market economy; second, achieve a large-scale arms reduction to the extent of eliminating practical military threat; and third, gradually break up the Soviet Union on the premise of independence of the Republics, which implies weakening the power of the Soviet Union. Consequently, the West will consider more positively the invitation of Gorbachev to the meeting of the Group of Seven industrial democratic nations, and the economic aid plan, that might amount to $50 to $90 billion. The West will also support Yeltsin's invitation to visit the United States and the promotion of the radical reform plan with the economic aid by the West, and especially the independence movement of the three Baltic nations. The United States will not waste the opportunity after the victorious Gulf War.

On the other hand, in the process of establishing a political status in the international community comparable to its economic power, Japan will try to overcome military threat by the Soviet Union, which has been a real or hypothetical enemy nation during the past 100 years, and will share the common policy with the West to an extent that it can expand its economic influence on the Soviet Union. Such a positive Japanese attitude toward the Soviets is under the condition that four northern islands be returned to Japan, in light of the national feeling and internal political reasons. It was made clear at the recent summit meeting between Japan and the Soviet Union, however, that both nations feel uncomfortable in directly negotiating with the issue of the northern islands. If the issue of the northern islands can be conceded by Japan during the negotiation of economic aid by the West, under the condition that substantial arms reduction in the Far East and a brave pursuit of the market economy will be made by the Soviet Union, the possibility of practical cooperation between Japan and the Soviet Union will increase substantially.

The result of the Russian Republic's direct election of its president, which enhanced the possibility of economic aid by the West, will shock the Chinese intellectual community and its political leadership, which have been promoting only open economy, while reserving political reform. Considering the 1989 Tianamen crisis, the election of Yeltsin will place a substantial burden on Chinese political leaders.

How will Yeltsin's election and subsequent economic and political changes in the Soviet Union influence the relationship between Korea and the Soviet Union and the Korean peninsula in general? When large-scale Western aid materializes, the Soviet Union's economic reform will accelerate. Consequently, the long-term effect of economic aid made by South Korea will show up positively. Therefore, the $3 billion economic aid by South Korea is considered to be timely.

Although the $3 billion economic aid will end in three years, the economic exchange between the two nations will develop more actively, based on the experience that Korean businesses pioneered their expansion in the Soviet Union relatively earlier than other nations. Considering the fact that Yeltsin has a keen interest in economic development in South Korea, there is a potential for cooperation between Korea and the Soviet Union, as the relationship between the Republics and the Kremlin is improving. Since it is expected that in the new agreement between Moscow and its Republics, more power will be allowed to the individual Republics to control their natural resources and taxation, it is essential for Korean businesses to make direct approaches to individual Republics. In order to support such strategies, it is urgently requested that the Korean Government provide special knowledge and information to these businesses.

Since the election of Yeltsin as president of the Russian Republic indicates the start of the abandonment of socialism by the Soviet Union, it will be an exorbitant shock to North Korea. It is also expected that the change will make a positive contribution to the economic exchange and to easing the tension between South and North Korea.

No Promises To Proceed With Loan to USSR

SK3008100991 Seoul YONHAP in English 0911 GMT 30 Aug 91

[Text] Seoul, Aug. 30 (YONHAP)—South Korean President No Tae-u said Friday that a loan Seoul has promised to Moscow would go through as agreed.

He told Kim Yong-sam, executive chairman of the ruling party, in their weekly meeting that the government was pushing for early conclusion of a fishery agreement with the Soviet Union.

No said he was convinced Seoul's relations with Moscow would improve even though restoring stability to the Soviet Union would take time.

He said the fact that the South Korean ambassador was among 25 diplomats invited to an official briefing recently showed how much Moscow valued South Korea.

Kim Tae-chung Plans Multicountry Visit

SK3008074891 Seoul YONHAP in English 0642 GMT 30 Aug 91

[Text] Seoul, Aug. 30 (YONHAP)—Opposition leader Kim Tae-chung's trip to Moscow is on again, New Democratic Party [NDP] spokesman Rep. Pak Sang-chon said Friday.

The NDP president will visit the Soviet capital from Sept. 17 and is expected to pay a call on Soviet President Mikhail Gorbachev and Russian Republic President Boris Yeltsin, and to give a speech at Moscow University, Pak said.

Kim will then go to New York, where South and North Korea will join the United Nations and President No Tae-u will address the General Assembly on Sept. 24.

Kim will also meet with Moscow Mayor Gabriil Popov and with Leningrad Mayor Anatoliy Sobchak.

He will arrive in New York Sept. 22 and then fly to Germany Sept. 25 to meet with Chancellor Helmut Kohl. Kim will then go to Poland to meet with Polish President Lech Walesa, Pak said.

He is scheduled to return Oct. 1.

Firm Finishes Phase 1 of Libyan Water Project

SK3008033891 Seoul THE KOREA HERALD in English 30 Aug 91 p 7

[Text] Dong Ah Construction Industrial Co. has completed the first phase of Libya's Great Man-Made River Project after seven and a half years of construction work, the company said yesterday.

A ceremony was held in the Mediterranean coastal city of Benghazi yesterday morning (Wednesday night local time) to dedicate the first phase of the mammoth $27 billion project to build an artificial river, with the attendance of Libyan leader Mu'ammar al-Qadhdhafi, Choe Won-suk, chairman of the Dong Ah Business Group and delegates from 30 countries, it said.

Dong Ah had won a $3.6 billion contract for the first phase of the project in 1983 and started its construction in January of the following year.

Phase I of the project, the largest single civil engineering contract ever undertaken by a private construction firm then, was intended for conveying vast underground water resources beneath the southeast desert of Libya north to the Mediterranean coastal belt through a combined 1,872km length of concrete pipelines, each pipe four meters in diameter, weighing 73 tons.

With the completion of the first phase, two aqueducts, 955km and 917km in length, will pass 2 million tons of water per day from wells in Sarir and Tazerbo in the south to an immense reservoir at Ajdabiya in northern Libya.

From there water is conveyed to the Mediterranean cities of Benghazi and Sirte.

The first phase included the construction of pipe manufacturing plants at Sarir and Brega, the production and installation of 1,872km of concrete pipes and associated works and facilities to operate the fresh water pipelines.

The company said Phase I work had required 11 million man-days.

Completion of the work is expected to help enhance economic cooperation between Korea and Libya, the company said.

An official at the Ministry of Construction said it will give impetus to Korea's overseas construction business which has been sluggish since the mid-1980s and the ministry will seek various measures to support overseas construction firms.

Dong Ah had also received a $5.3 billion order for the second phase of the massive irrigation scheme in February last year.

The second phase, now under construction work for completion by 1998, includes 1,100km of pipeline, four meters in diameter, from Wadiaril to Jeffara near Tripoli which will bring 2 million tons of water a day from three well fields, about 800km south of the Libyan capital.

According to a Dong Ah official, Libya plans to invest a total of $27 billion on all five phases of the massive project.

The project is part of Libya's ambitious 'Green Revolution' program aimed at turning the wasteland of the Sahara Desert into arable land.

Ministry Previews Aviation Talks in Mongolia

SK3008054291 Seoul YONHAP in English 0516 GMT 30 Aug 91

[Text] Seoul, Aug. 30 (YONHAP)—South Korean-Mongolian aviation talks scheduled for Sept. 3-4 in Ulaanbaatar are likely to result in initialing an agreement, the Foreign Ministry said Friday.

Kim Yong-kyu, director-general of International Trade Bureau, will head the Korean delegation. His Mongolian counterpart will be Ts. Ayurzana [as received], president of the Civil Aviation Agency.

An accord on direct service is expected to reduce flight time to Europe, especially after Korea strikes an aviation agreement with China, Ministry officials said.

Seoul hopes to open direct routes to Beijing and set up Seoul-Beijing-Ulaanbaatar-Europe flights.

Korea and Mongolia are likely to initial the agreement during the two-day talks and possibly sign it when Mongolian President Punsalmaagiyn Ochirbat visits Seoul later this year.

Seoul and Ulaanbaatar set up diplomatic ties on March 26.

No Tae-u Schedules U.S., Mexico Visit

SK3008003191 Seoul YONHAP in English 0000 GMT 30 Aug 91

[Text] Seoul, Aug. 30 (YONHAP)—South Korean President No Tae-u will visit New York Sept. 23-25 to attend the 46th session of the United Nations General Assembly, the presidential secretariat announced Friday.

No will also make a state visit to Mexico Sept. 25-27, the first trip ever by a Korean president to a Latin American country.

No will make an address before the U.N. General Assembly on Sept. 24, the first Korean president ever to do so. North and South Korea will become the 160th and 161st member of the world body during the U.N. session.

No is expected to meet with U.N. Secretary-General Javier Perez de Cuellar and other leaders attending the session and exchange views on matters of common concern including the promotion of international cooperation, the secretariat said.

No and his Mexican counterpart Carlos Salinas will meet in Mexico City on Sept. 25 to discuss ways to promote bilateral cooperation as well as Asia-Pacific regional cooperation.

No is due home on Sept. 30 after making a stopover in Hawaii.

Chon Tu-hwan's Refusal To Meet No Tae-u Viewed

SK3008030591 Seoul THE KOREA HERALD in English 30 Aug 91 p 1, 4 (weekend suppliment)

[The "Political Wind" column by staff reporter Kang Sung-chol]

[Text] The disgraced ex-President Chon Tu-hwan invited a popular TV actor, baldheaded like him, to his home for a chat slightly over a month ago.

His aides explained that the move was for Chon to extend an apology for pains the actor, Pak Yong-sik, suffered during the Fifth Republic. A look-alike of Chon, Pak was forced off the TV screen till after the unpopular president stepped down in early 1988.

The meeting with the actor may be part of Chon's efforts to live as a "common citizen" as he expressed upon his return home from a two-year rural exile last December.

As the ordinary citizen he aspires to be, Chon may try to mingle freely with people. He did not even mind encountering his one-time political foe, Kim Yong-sam, during last month's memorial service for the late President Yun Po-son.

It appears, however, that the discredited ex-president is not yet ready for a meeting with his successor, President No Tae-u. It may be rather correct to say that Chon is avoiding meeting No.

No reportedly sent Prime Minister Chong Won-sik as a special emissary to Chon July 15 to convey his offer for private talks. Chon's response was a definite 'No.'

Chong tried in vain to change Chon's mind, saying, "There can be no disconnection in history." The former president is said to have burst into a fit of anger and replied, "You are a third party, and it's none of your business."

No is said to have made several other futile bids for talks with Chon, including one made prior to the former president's 60th birthday early this year.

No and Chon have not seen each other since Feb. 25, 1988 when Chon stepped down after fulfilling a single seven-year term to hand the helm of state over to No.

As classmates at the Korean Military Academy, the two had maintained a decades-old friendship till their relations began to sour in 1988 during the course of the so-called liquidation of the bad legacies of Chon's Fifth Republic.

Widely blamed for corruption and irregularities during his rule, Chon went into exile at a monastery on a remote mountain after an apology to the people in November that year. He stayed there for over two years.

Before and during his exile, dozens of Chon's relatives and associates were sent to prison after being convicted of corruption and other charges.

While in exile at the temple on Mt. Sorak, Chon also suffered personal misfortunes such as the divorce of his second son, Chae-yong. Chae-yong had been married to a daughter of Pak Tae-chun, now a co-chairman of the ruling Democratic Liberal Party.

Chon also had to suffer humiliation by vocal opposition lawmakers when he was grilled at a parliamentary hearing on Fifth Republic irregularities Dec. 31, 1989. It was his only travel outside the temple during the exile.

Chon and his wife, Yi Sun-cha, are said to have prayed for hours every day at the temple, trying to restore their calm of mind.

It seems, however, that despite the prayer, the ex-president has not forgotten what he suffered after he stepped down. He may think that No should have provided political protection for him and his family members.

Chon handpicked No as his successor in June 1987.

Since Chon's return home last December, No has strived to meet the ex-president to resolve conflicts between themselves.

With just one and a half years left till the end of his single five-year tenure, No now may feel more acutely the need to patch up relations with Chon and other Fifth Republic elites, political analysts say.

No named An Kyo-tuk, who is a Korean Military Academy classmate of both Chon and No, to serve as his senior aide for petitions and information, a post for handling, among other things, matters related with family members of the incumbent and former presidents, in May. An's appointment was largely seen as a move signaling No's effort to seek reconciliation with Chon.

An played a key role in arranging a meeting between No and Chong Ho-yong in San Francisco in late June on No's way to Washington for a state visit. Chong, also a Korean Military Academy classmate of No, has been staying in the United States since he was forced to quit his political career at home under pressure from No.

No's conciliatory gestures toward Chon also included the release on parole of Chon's younger brother, Kyong-hwan, in late June. The younger Chon had been serving his seven-year term since May 1988 for misappropriation of money as head of the Saemaul Undong (New Community Movement) Headquarters.

Chon, however, made it clear he has no intention of meeting with No. He dismissed No's offers for talks conveyed by such figures as An and former Prime Minister No Sin-yong.

Some of Chon's aides were even quoted as saying that the ex-president would consider meeting No only after No steps down.

Chon's aides are even sending a signal that the former president may challenge No by seeking a political comeback.

Chang Se-tong, a retired Army general and intelligence chief under Chon's rule, has recently called for creating a new political party, a remark that may have got on No's nerves.

Chang's hinting at the possibility of inaugurating a new party enhanced the speculation about a widening rift between No and Chon.

The party would certainly be composed of Fifth Republic figures, and have the potential to erode the base of support for the current ruling quarters, according to political analysts.

Chongwadae officials are quite critical of the alleged move by Fifth Republic figures to rally again around Chon.

"They don't seem to know the reality," one official commented, noting that a vast majority of the people still have negative views on the Fifth Republic.

He indicated, however, that No will continue efforts to seek better ties with Chon. "I believe the former president will change his mind before long," he said.

The conflict between No and Chon, called a "feud" between the Fifth and Sixth republics by the domestic press, will have some bearing on future political developments, according to the analysts.

The reconciliation of the Fifth and Sixth republic elites would certainly add to the strength of the present ruling circles, including the Democratic Liberal Party.

The analysts say the No-Chon relations may have some effect on the ruling party's selection of its next standard-bearer.

Rumors have it that Chon is desperately opposed to seeing ruling party Executive Chairman Kim Yong-sam become the party nominee.

Committee Urges Stricter Penalties for Violaters

SK3008081691 Seoul YONHAP in English 0656 GMT 30 Aug 91

[Text] Seoul, Aug. 30 (YONHAP)—The Central Election Management Committee (CEMC) said Friday that South Korea's National Assembly Election law should be revised so that lawmakers are suspended for violating the election law.

It also suggested stricter control of campaigning and heavier penalties for violation of the election law.

A lawmaker should be suspended if his election is nullified, until it is overturned by the Supreme Court, or if a family member or chief campaigner is convicted of a crime, CEMC said.

The election watchdog organization recommended that candidates have more freedom to contact voters and advertise on television, radio and in newspapers. Restrictions on speeches, debates and personal interviews should be lifted, CEMC said.

CEMC suggested reducing campaigns from 18 days to 15 and the registration period for candidates from six days to three.

To strengthen controls on the use of campaign funds, all the payments should be made from a bank account held by the chief election campaigner and CEMC's watchdog function should be made stronger, CEMC said.

Foreign Banks Seeking Capitalization Increases

SK3008035791 Seoul YONHAP in English 0139 GMT 30 Aug 91

[Text] Seoul, Aug. 30 (YONHAP)—Some foreign banks are seeking sweeping capital increases for their operations in South Korea following the government's measure in July to eliminate capitalization limits.

The Office of Bank Supervision and Examination (OBSE) is negotiating new capitalization programs with branches of the Bank of Tokyo and Tokai Bank of Japan, Banque Paribas and Societe Generale of France and Chase Manhattan Bank of the United States.

Tokai has applied to double its capital from 4.5 billion won to 9 billion won (12.4 million U.S. dollars) and Societe Generale from 3 billion won to 10 billion won (13.8 million dollars).

Talks are under way with Chase Manhattan (capitalized at 9 billion won), Tokyo (9 billion won) and Paribas (3.3 billion won) over the time and amount of new capitalization.

OBSE intends to permit capital increases within 8 percent of total asset and will prevent capitalizing concentration to ease currency expansion pressures.

Fierce competition is expected between Korean and foreign banks because each bank can issue certificates of deposit up to 175 percent of the new capital.

Yi Chang-ho Heads Newly Created Treaties Bureau

SK3008085891 Seoul YONHAP in English 0754 GMT 30 Aug 91

[Text] Seoul, Aug. 30 (YONHAP)—The Foreign Ministry Friday appointed Yi Chang-ho director-general of the newly created Treaties Bureau.

Yi, 47, joined the ministry in 1970. Overseas posts include counselor to the United Nations from 1984 to 1987 and to Brazil from 1987 to 1990.

He returned to Seoul in April 1990.

The ministry is dividing the international organizations and Treaties Bureau into two new bureaus. Current director-general Mun Tong-sok will head the International Organizations Bureau.

Foreigners Allowed Half of Equity in Small Firms

SK3008075791 Seoul YONHAP in English 0610 GMT 30 Aug 91

[Text] Seoul, Aug. 30 (YONHAP)—Foreigners may own up to 50 percent of the equity in an unlisted small company in South Korea, the Finance Ministry's Foreign Investment Review Committee ruled Thursday, citing revision of foreign investment regulations.

The foreign investment is to be made through a venture fund, a kind of association of foreign investors in the country. Before the revision, foreign equity investment via a venture fund was limited to unlisted firms in operation for under five years.

The Review Committee expanded oceanline cargo transportation to cover container transportation by car ferries. This paves the way for direct container transportation between China and Korea.

All Aliens 'Will Be Ordered To Leave' Country

SK2908124191 Seoul YONHAP in English 1211 GMT 29 Aug 91

[Text] Seoul, Aug. 29 (YONHAP)—All foreign passport holders staying beyond the lengths of their legal visits or working without work permits will be ordered to leave the country upon being searched by the authorities concerned, Justice Ministry officials said Thursday.

The officials confirmed an earlier report that the government would tighten checks up on all illegal alien workers next month.

The government will, however, be lenient toward the Korean-Chinese if they voluntarily report their illegal stays to authorities next month, ministry officials said.

The ministry, which estimates there were about 8,000 Korean-Chinese illegally working in South Korea as of the end of July, will deport them out of the country if they fail to turn themselves in and are searched by the immigration officials.

The number of foreigners rounded up for their illegal stays has been on the rise: 3,895 in 1987, 4,732 in 1988, 5,672 in 1989 and 8,642 last year. The number totaled 6,988 as of July this year.

* Science, Technology Ministry's 7th 5-Year Plan

* R&D Spending To Grow

912C0256A Seoul MAEIL KYONGJE SINMUN in Korean 13 Jun 91 p 1

[Text] For strategic fostering of knowledge-intensive industries, the government has decided to create new, 1 million pyong-scale science and industry research complexes in four regions—Pusan, Taegu, Chonju and Kangnung. It will also build a similar research complex in the vicinity of Seoul mainly to develop engineering and software industries, accommodating 200 to 300 related firms.

In addition, it plans to increase the research and development [R&D] manpower in the science and technology [S&T] area to 112,000 or 26.2 per 10,000 population by 1996, and to establish and operate a facility—tentatively named "Korea Institute of Information Technology"—to train unemployed college graduates in software engineering.

The government also plans to develop by the mid-1990's a 64MDRAM semiconductor, an intelligent computer with which dialogue is possible by running sound, a five-seat small airplane, a fuel battery, and a linear motor car, and to put to practical use an anticancer drug to conquer cancer, a drug to cure AIDS, and artificial organs.

According to a draft seventh 5-year plan announced by the Ministry of Science and Technology today, the government will increase its R&D investment to a 4 percent level in comparison with the GNP by 1996 and sharply increase tax and financial benefits to push up the nation's production technology to the Group of Seven level and its fundamental technologies to the OECD middle-group levels in preparation for joining the group of major industrialized countries in the 2000's.

In this connection, the Ministry of Science and Technology decided to create—separately from a 5,300,000-pyong advanced science and industry research complex currently under construction in Siin County, Kwangju—four more institute-industry-university complexes in Pusan, Taegu, Chonju and Kangnung to establish a nationwide system to bring up knowledge intensive industry and prepare for the arrival of a liberalization era.

At the same time, the Ministry of Science and Technology plan calls for building a knowledge industry research complex in the vicinity of Seoul to concentrate on fostering our engineering and software enterprises which are underdeveloped.

The Ministry of Science and Technology also plans to create a software course in the System Engineering Institute, attached to the KIST (Korea Institute of Science and Technology), to train 5,000 unemployed college graduates every year. The "Korea Institute of Information Technology" to be established will be in charge of this operation.

With a view to expanding autonomy for government-subsidized research institutes and promoting competition among them, the Ministry of Science and Technology will introduce an institute operation appraisal system effective 1993, allowing organizations entrusting institutes with research projects or giving them financial support to be on the board of directors and take part in the decisionmaking concerning operations and programs of the institutes.

To develop fundamental studies, the Ministry of Science and Technology decided to increase the research spending in this area from the present 20 billion won to 88 billion won in 1996 and invite high, Ph.D-level persons from overseas at the rate of 200 persons every year.

* Development Plans Summarized

912C0256B Seoul MAEIL KYONGJE SINMUN in Korean 13 Jun 91 p 3

[Article by reporter Yi Chu-ho: "S&T Area of Seventh Five-Year Plan"]

[Text] Thanks to the development of advanced technology, our country will in the mid-1990's be able to put linear motor cars and small-type aircraft to practical use by domestic technologies. At the same time, the development of optical neuro-computers will further improve conveniences of life. The following is a summary of the nation's S&T policy to prepare for the 21st century as viewed through the draft seventh five-year plan announced by the Ministry of Science and Technology.

Development of Key Technologies

Korea will develop a 0.3-0.4 micrometer-class 64MDRAM semiconductor test product by March 1993, rising to a top-level semiconductor technology country in the 1990's.

A computer with which dialogue is possible by running sound (storage capacity: 10,000 megabytes) will be developed by 1996.

The integrated services digital network (ISDN) will be developed by 1995; the computer-based integrated production automation technology will be developed and put to use in the auto and electronics production by the mid-1990's.

Five-seat, small multipurpose aircraft will be developed in 1993, four kinds of alternatives to CFC [chlorofluorocarbons] and Fron in 1994, and 40 kw-class fuel batteries (for use in large buildings) in 1996; an urban-type linear motor car will be put to practical use in 1997.

Manpower

Multilateral measures will be taken to increase the R&D manpower to 112,000 persons or 26.2 per 10,000 population by 1996.

A Kwangju branch of the Korea Advanced Institute of Science and Technology (KAIST) will be established to train excellent human resources to back up Honam region industrialization plans and the creation of an advanced science and industry research complex in Kwangju. The KAIST Kwangju branch will open with 14 courses in four engineering departments and a planned enrollment of 600. A master's and doctor's-course graduate school will be established first and the opening of undergraduate courses will be studied later.

Training and retraining programs at the government-subsidized research institutes will be expanded. The overseas research program will be expanded in scale to cover 700 persons every year.

To encourage businesses to establish technological colleges within the companies, broader tax breaks will be granted for the required expenses.

Upgrading of Research Bases

Regional science and industry research complexes of 1 million pyong-scale each will be created in four areas—Pusan, Taegu, Chonju and Kangnung—starting in 1992.

In the Kwangju area, the current construction of a 5,860,000 pyong-scale advanced science and industry research complex will move into full swing. Also, a knowledge industry research complex will be built to accommodate the 200 to 300 engineering and consulting firms currently scattered throughout the Seoul area.

The number of private technology research institutes will be doubled from the present 1,000 to 2,000 by 1996. To that end, the government will push for the opening of apartment-type joint research institutes, expanding the scope of special military draft exemptions to include researchers.

A general fundamental science research institute will be established to accelerate cooperative fundamental studies programs.

For government-subsidized organizations, operation appraisal systems suitable to each organization's unique features will be introduced and actively operated.

S&T Investment

S&T investment will be increased to 4 percent of the GNP by 1996. In case businesses make investments in a large-scale national project, the government will guide them to invest a specified percentage of the spending in related technology development as a prior or parallel investment.

To accelerate technology development in the nuclear energy area, the radioactive waste materials control fund will be reorganized as a nuclear energy fund.

The required percentage of technology development investment by enterprises will be increased from the present 2 percent of the sales to 3 percent.

S&T Information

To ensure smooth overseas gathering of advanced technology information, government-subsidized institutes' Japan offices will be integrated and restart as a technology information cooperation center. Similar operations will be set up in the Soviet Union, the United States and EC countries.

Nuclear Energy

While Korea plans to build 18 additional nuclear power stations by the year 2000, construction of about two-thirds of them will be started during the seventh five-year plan period. Also, a candidate site for the disposal of radioactive waste materials will be picked by the end of 1993, with a permanent disposal site built by 1996.

Social Discontent Among Young Adults Increases

SK2908105591 Seoul YONHAP in English 1020 GMT 29 Aug 91

[Text] Seoul, Aug. 29 (OANA-YONHAP)—Social discontentment among 18-to 24-year olds in South Korea increased between 1983 and 1988, according to a poll by a Japanese youth organization.

Of the 1,002 men and women questioned by the Japanese group in 1988, 79.3 percent said they were unhappy with their society and 20 percent said satisfied.

The figures were given in a report released Thursday by Korea gallup.

The discontent rate in 1983 was 42.3 percent in a poll by the same organization.

Most disliked was customary practice of measuring an individual by his social status, family and school, Gallup said.

Wide gap between the haves and have-nots was the second biggest reason for dissatisfaction and a considerable number of people complained that right does not work in their society.

Inadequate social welfare was the fourth major complaint.

Those who wanted to "contribute to the state" accounted for 88.4 percent, up from 87.4 percent in 1983, while those who said they were willing to sacrifice for their country dropped to 62.2 percent from 79.2 percent.

Burma

Minister Leaves for Bangkok To Confer Titles

BK2708144091 Rangoon Radio Burma in Burmese 1330 GMT 27 Aug 91

[Text] Lieutenant General Phone Myint, minister of home and religious affairs and information and culture, left Yangon [Rangoon] for Thailand by air at 1315 today to coordinate with the Thai Government on the conferring of Abhidajja Maharata Guru and Agga Maha Panditta religious titles to the senior monks in Thailand for 1991.

The minister and his delegation were seen off at Yangon airport by Major General Khin Nyunt, secretary-1 of the State Law and Order Restoration Council [SLORC]; Maj. Gen. Tin U, SLORC secretary-2; Maj. Gen. Myo Nyunt, commander of the Yangon Division Law and Order Restoration Council; U Ohn Gyaw, deputy minister of foreign affairs; high-ranking officials of the Defense Ministry; Mr. Suraphong Posayanon, Thai ambassador to Myanmar [Burma]; Colonel (Chaiyasuk Phithaphalak), Thai military attache; directors general and managing directors of departments and enterprises under the Ministry of Home and Religious Affairs and the Ministry of Information and Culture; and friends and relatives.

Members of the Burmese delegation are U Zaw Lwin, director general of the Buddhism Propagation Department; U Myint Thein, deputy director general of the People's Police Force; U Aung Thein, assistant director of the Buddhism Propagation Department; and Major Tun Win Kyaw, personal aide to the minister.

Another delegation headed by U Ant Maung, director general of the Religious Affairs Department, left for Thailand a few days ago to make necessary preparations.

NLD Representative Vacates Seat in Division

BK2908073991 Rangoon Radio Burma in Burmese 1330 GMT 28 Aug 91

[Announcement No. 961 of the Commission for Multiparty Democratic General Elections of the Union of Myanmar, dated 28 August 1991]

[Text] Subject: U Khin Maung Kyaw, elected representative from South Okkalapa Township Constituency-2, Yangon [Rangoon] Division, given permission to resign.

1. U Khin Maung Kyaw, who was elected from South Okkalapa Township Constituency-2, Yangon Division, during the multiparty democratic general elections, has informed the commission that he was elected to represent the National League for Democracy [NLD].

2. However, today, the NLD

—cannot resolve the problems that have emerged between the elders and the youths,

—pursues practices that are against democratic principles, such as personal attacks to gain position or favoritism shown to one's followers or leaders,

—totally ignores guidelines on the party and organizational activities contained in the booklet issued by the NLD headquarters in November 1989, and

—exerts centralized control and leadership which lead to disunity, with the NLD township organizing committees formed through township congresses being abolished and reformed against democratic practices and according to the wishes of the NLD divisional organizing committees.

3. Hence, the representative no longer has confidence in the NLD leadership and seeks permission to resign from his elected South Okkalapa Township Constitutency-2.

4. Acting on the above submission by U Khin Maung Kyaw, and in accordance with Article 11.E of the Elections Law, the elections commission hereby permits the resignation of U Khin Maung Kyaw as representative from South Okkalapa Township Constituency-2, Yangon Division, effective today.

By the authority vested in me.
Signed: Aye Maung, secretary.

Editorial Hails Saw Maung's PRC Trip

BK3008103191 Rangoon Radio Burma in Burmese 0140 GMT 29 Aug 91

[29 AUGUST WORKING PEOPLE'S DAILY editorial from the "Press Review" program titled: "Successful Good Will Visit"]

[Text] The good will visit to the People's Republic of China by Senior General Saw Maung, chairman of the State Law and Order Restoration Council [SLORC], should be hailed as a milestone in the history of bilateral relations. The good will visit was undertaken by the current leaders with the aim of further strengthening the bilateral frienship constructed by the veteran leaders of the past.

During his good will visit to the PRC, SLORC Chairman Sr. Gen. Saw Maung met with PRC President Yang Shangkun and held cordial and frank talks. Sr. Gen. Saw Maung also met with Mr. Jiang Zemin, general secretary of the Communist Party of China; Li Peng, PRC Premier; and Mr. He Zhiqiang, governor of Yunnan Province; and held cordial and frank talks on matters of mutual interest.

During these meetings the PRC President praised the wisdom of the veteran leaders of the two neighboring countries in constructing the bilateral friendship and close ties between the two countries while CPC General Secretary Jiang Zemin spoke highly of time-honored friendship between the two neighboring countries and aggression and atrocities experienced by the two countries during the colonial era and its evil consequences.

He also extolled the importance of the bilateral friendship and spoke of the desire to continue promoting the bilateral relations based on the Five Principles of Peaceful Coexistence. He also spoke extensively on the importance of noninterference in internal affairs of each other and bilateral cooperation in the campaign against narcotic drugs.

Further, PRC Premier Li Peng spoke cordially about bilateral political, economic, and social matters. Yunnan Governor Mr. He Zhiqiang spoke on how the two countries are endeavoring to promote border trade and on mutual political and economic contibutions. He described Myanmar as a most reliable friend.

SLORC Chairman Sr. Gen. Saw Maung and his entourage not only held talks with the Chinese leaders, but also paid respect to the Buddha image in PRC and Abbot (Ai Yuan) of (Chan Kyi Shi) Temple and extended an invitation to the abbot to visit Myanmar. The abbot was also informed of the plan by Myanmar to confer religious titles on senior abbots in the PRC. The entourage also visited (Hua Tin) Buddhist Temple on Kunming hill station and donated relics of Buddhist saints.

Therefore, the governments and people of the two countries should joyfully hail and welcome this successful good will visit to the PRC by SLORC Chairman Sr. Gen. Saw Maung.

'Subversive Elements' Sent by Students Arrested

BK2908094391 Rangoon Radio Burma in Burmese 1330 GMT 28 Aug 91

[Text] Between 30 July and 3 August, the Military Intelligence Service exposed and arrested the contacts as well as the subversive elements who were sent by the terrorist insurgent ABSDF [All Burma Students' Democratic Front] to conduct subversive work and create unrest in the Yangon [Rangoon], Waw, and Pyawbwe areas.

Information was received that a terrorist insurgent KNU [Karen National Union] unit on a subversive mission had entered Waw Township on 25 July with the help of the three persons who had gone underground around 10 July to the KNU—Maung Soe, Zaw Myint Aung, and Kyi Shein from Nyaungchedauk village, Waw Township. Acting on that information, Maung Soe, 25, son of U Thein Aung, was arrested by military intelligence at Myetkyu village, Waw Township, at 1500 on 30 July.

According to the information provided by Maung Soe, members of the terrorist insurgent ABSDF's 208th Battalion—Maung Tun, Than Shein, Sit Naing, and Kyaw Nyunt, alias Than Myint—together with Chit Ngwe, a private from the terrorist insurgent KNU's 1st Brigade—left Soe Myint Win village in Papun Township on 19 July, bringing along an AK-47 automatic rifle and four grenades. On 23 July, they reached Anya-su village. With the help of Tin Myint of that village, Sit Naing and Kyaw Myint, alias Than Myint, were sent to the Waw railway station with two grenades and antigovernment documents. They had planned to reside near Za-myint-zwe ward in Thingangyun Township and to carry out subversive work.

In the meantime, according to information provided by a responsible person in Yangon, it was discovered that Zaw Tun, second year student of Workers College, son of U San Tun of No. 170, Thudathana 1st street, No. 16-2 Ward in Thingangyun Township, was a hardcore supporter of terrorist insurgent ABSDF's 208th Battalion which was sending youths underground and hoarding explosive devices through their underground contacts.

On 2 August, Zaw Tun and his two accomplices—Ko Ko Latt, alias Zaw Min, a third year geography student, son of U Tin Shwe of Thumingala ward in Thingangyun; and Aung Kyaw U, alias Kyaw Htet, alias Kyaw Myint, first year student of Workers College, son of U Kyaw Hlaing of No. 7, 11th Street, Nga-Moe-Yeik ward in Thingangyun—were arrested by military intelligence in the Kyaikkasan Pagoda compound. They had four grenades; one "DAUNG-O-WAY" journal [of the ABSDF]; Order No. 1/91, manifesto, and statement of the National Coalition Government [NCG] in the jungle; one propaganda cassette tape with "Nay-Win-Ni-Ni" songs [of the ABSDF], and 5,400 kyat.

According to their testimonies, Aung Moe Kyaw, alias Ashay-gyi, second year Yangon University student studying Burmese literature, son of U Nyo Hla of No.64, Thudathana 1st street, No. 16-2 ward in Thingangyun Township, was arrested at Pyawbwe railway station on 3 August.

While Aung Moe Kyaw was in the insurgent KNU territory, he was told by Hla Pe, member of the jungle NCG, to give 3,000 Kyat to Hla Pe's wife, Daw Khin Win Kyi, in Pyawbwe and propaganda papers to Hla Pe's contacts—Thaung Sein of Aung Myitta sugar mill in [name indistinct] ward; and Kyaw Soe of [name indistinct] ward.

In this connection, security personnel raided the residences of Daw Khin Win Kyi, Kyaw Soe, and Thaung Sein. In addition to 3,000 kyat, the raids uncovered 10 pamphlets on NCG's Order No. 1/91; five copies of the NCG communique; four "DAWN" journals [of the ABSDF]; two copies of Min Nyo's book entitled "Bar Dway Phyit Kon Ja Byi Le"; and five propaganda cassette tapes of "Nay-Win-Ni-Ni" songs.

Later, investigations and a testimony by Maung Soe revealed that Sit Naing, the person who had entered Yangon through Waw railway station on 27 July, was in fact Aung Moe Kyaw, while Than Myint alias Kyaw Myint, was in fact Aung Kyaw U.

It was also learned that Sit Naing, alias Aung Moe Kyaw, had handed over propaganda papers for safekeeping to Htay Aung, son of U Soe Hlaing—member of the Thingangyun Township Central Executive Committee of the

National League for Democracy—at No. 438, Dhammayon street, No. 16-2 ward in Thingangyun. Accordingly, Htay Aung's residence was raided and the items recovered are one "DAUNG-O-WAY" journal; two copies of the NCG communique; "DAWN" journal; one copy of Min Nyo's book; and two propaganda cassette tapes of "Nay-Win-Ni-Ni" songs.

Htay Aung had previously been arrested under the Wa-ra-zein Operation against urban activities of the Burma Communist Party. He knew Win Khet who had connections with the Sein Win-led jungle NCG. It was understood that Htay Aung also had plans to join the NCG.

Hence, effective legal action will be taken against the elements who were in touch with the terrorist insurgent ABSDF's 208th Battalion to carry out subversive work in the Yangon, Waw, and Pyawbwe areas—Sit Naing, Aung Kyaw U, Zaw Tun, Zaw Min, and Htay Aung, contacts of NCG member Hla Pe—Kyaw Soe and Thaung Sein—and Hle Pe's wife—Khin Win Kyi.

Brunei, Malaysia & Singapore

Malaysia

American Investment Increases to 5 Percent

BK2908154191 Kuala Lumpur Radio Malaysia Network in English 1330 GMT 29 Aug 91

[Text] Industry investment from the United States worth 1.3 billion ringgit for 20 manufacturing projects have been approved by the government in the first six months of this year, Deputy Minister of International Trade and Industry Mr. Chua Jui Meng said this today. The amount which comprised five percent of the total investment approved or 20 billion ringgit for the same period was a marked increase in monetary terms when compared to the 29 projects with Amercian equity totalling 567 million ringgit approved for the whole of last year.

The United States currently ranks fourth after Japan, Taiwan and South Korea in terms of investment in Malaysia. It ranked eighth last year. He told reporters after opening the Taylor Walton-Asia Malaysia Sendirian Berhad 8.5 million ringgit hydro [word indistinct] plant in Shah Alam—the first of its kind in Asia.

Ghafar Ends Visit to Kuwait, Secures Deals

BK3008085191 Kuala Lumpur BERNAMA in English 0812 GMT 30 Aug 91

[From Azman Ujang]

[Text] Kuwait City, Aug 30 (OANA/BERNAMA)—Malaysian businessmen accompanying Deputy Prime Minister Ghafar Baba on a three-day visit to Kuwait have wrapped up the visit with contracts for the supply of Malaysian goods worth about M$39.7 million (about U.S.$14.4 million).

Over 200 Kuwaiti traders from more than 40 companies met the 48-member Malaysian business delegation here and both sides bargained over a wide range of products which Malaysia is offering to the Kuwaiti market, now facing acute shortages of manufactured goods necessary to rebuild the country's economy derailed by the Iraqi occupation.

The Malaysians clinched direct sales of M$7.2 million (about U.S.$2.6 million) and another M$32.5 million (about U.S.$11.8 million) in projected sales over the next one year.

Although the Kuwaiti traders made enquiries about products virtually from A to Z, many placed immediate orders for goods like electrical appliances, telecommunication equipment, building materials, furniture and foodstuffs.

"This is most encouraging and I will see to it that there is no let-up in our drive to increase our exports to Kuwait especially to meet the demands of its reconstruction programmes," he told Malaysian journalists before leaving Thursday for Damascus in Syria enroute to Teheran to begin a four-day investment mission to Iran.

Ghafar also said that he would initiate efforts to get Malaysia airlines (MAS) to resume its flights to Kuwait. MAS terminated its service to the emirate several years ago which Ghafar said was due to the high charges fixed by Kuwait airways.

He said that from talks he had had with Kuwaiti ministers and leading businessmen, it became clear to him that Malaysia's solid support for the liberation of Kuwait in the United Nations Security Council had not only generated tremendous goodwill from the Kuwaitis but was also paying dividends on the trade and investment front.

MPOPC: USDA Import Credit Cut a Threat

BK2908114591 Kuala Lumpur BERNAMA in English 0923 GMT 29 Aug 91

[Text] Kuala Lumpur, August 29 (BERNAMA/ECOANA)—The Malaysian Palm Oil Promotion Council (MPOPC) says palm oil may face a new round of threats following the U.S. Department of Agriculture's (USDA) decision to cut its credit guarantees to several importers of U.S. commodities.

Council Chief Executive Officer Murad Hashim said the immediate impact of the USDA decision is that the American soyabean exporters will have a tougher time marketing their products, meaning they may resort to doing "something to protect their interests."

"And I think we will need to do some hard work," he told reporters here Wednesday.

Murad did not speculate on the possible actions that the soyabean producers may take to protect their export market, but the ugly episode of the anti-tropical oil campaigns initiated in the U.S. by the American Soyabean Association (ASA) in 1987 should still be fresh in the minds of palm oil producers.

Despite the truce between ASA and oil palm growers declared in 1989, subtle negative campaigns against palm oil have been detected in recent months, including in the Indian subcontinent and South America. Some industry sources said such campaigns may escalate and the MPOPC needs to keep a close watch on market developments.

Murad said the MPOPC, with the support of related ministries and government agencies, plans to be more aggressive in its promotional campaigns.

"You can have the best production in the world, but without promotion it won't sell. I also believe that the best defence is a good offence." He added.

Reports from Washington earlier this week said the USDA had cut the credit guarantees to Morocco, Mauritius, Turkey, Suriname, Tunisia, Chile, and Ecuador.

The report did not explain the reason for the move but it is believed that the U.S. is now placing greater emphasis on assisting the Soviet economy, after its recent political turmoil.

Mahathir: Sabah Referendum Contravenes Law

BK2908144091 Kuala Lumpur Radio Malaysia Network in English 1330 GMT 29 Aug 91

[Text] Prime Minister Datuk Sri Dr. Mahathir Mohamed said today that a referendum cannot be held to allow the people of Sabah to decide whether they want to continue remaining in Malaysia because it will contravene the law. He said the law did not allow any state to secede from the federation. He said this after a meeting of the UMNO [United Malays National Organization] Supreme Council at the party's headquarters in Kuala Lumpur.

Datuk Sri Dr. Mahathir who is UMNO president was commenting on the suggestion by Party Bersatu Sabah MP Datuk Mongo Oro that a referendum be held in Sabah to determine whether the people wanted to remain in the federation.

Singapore

RSAF Planes Join Australian, U.S. Jets

BK3008092391 Singapore THE STRAITS TIMES in English 29 Aug 91 p 3

[Text] Aircraft and air defence artillery units from Singapore are taking part in an exercise with the air forces of Australia and United States.

It is the second time the Republic of Singapore Air Force (RSAF) has been invited for the exercise codenamed Pitch Black 91. With 15 aircraft and 300 personnel, it is the RSAF's largest overseas detachment to date.

The 19-day annual combined air exercise is being held in Australia's Northern Territory. It is part of an on-going series of exercises the Royal Australian Airforce holds with other countries to test combined air defence procedures.

Lieutenant Colonel Peh Teng Keng, Deputy Commander, Paya Lebar Airport, and the RSAF's exercise director, said: The realistic scenario allows us to conduct the full spectrum of our operating concept.

The RSAF F-5s and the E2-C Hawkeye aircraft are part of the "friendly" force which operates from Darwin and Tindal in Australia's Northern Territory while the A-4 Super Skyhawks are part of the "enemy" force based in Curtin, Western Australia.

The RSAF's KC-130 Aerial Refuelling tankers and RBS 70 surface-to-air missile units are also involved.

A Ministry of Defence [Mindef] press statement said that the exercise provides the RSAF with a valuable opportunity to train under realistic operational conditions not available in land-scarce Singapore.

Mindef said Pitch Black also offers RASF personnel an opportunity to interact with fellow professionals from the Australian and American air forces.

The exercise which started on August 12, ends tomorrow.

Thai Supreme Commander Receives Military Award

BK2908120191 Singapore Singapore Broadcasting Corporation in English 1100 GMT 29 Aug 91

[Text] The Supreme Commander of the Royal Thai Armed Forces, General Sunthon Kongsomphong has been conferred Singapore's highest military award. He was given the Distinguish Service Order (Military), by President Wee Kim Wee at an investiture ceremony at the Istana [Palace] this morning.

The award is for Gen. Sunthon's outstanding contribution in promoting good relations between the Royal Thai Armed Forces and the Singapore Armed Forces.

A citation read at the ceremony said Gen. Sunthon's untiring efforts in pursuing bilateral cooperation were instrumental in the signing of the memorandum of understanding and the basic cooperation in July.

Under Gen. Sunthon's leadership, the bonds of friendship between the two armed forces have grown and this has served the mutual interests of both sides. Bilateral land, sea, and air exercises have also been enhanced.

Gen. Sunthon is the second Thai general to be conferred the award. Predecessor General Chawalit Yongchaiyut received the same award in 1988.

General Sunthon, this afternoon called on the prime minister, Mr. Goh Chok Tong, and earlier met the defense minister, Dr. Yeo Ning Hong.

ASEAN Cooperation Helps Regional Security

BK3008073291 Singapore THE STRAITS TIMES in English 27 Aug 91 p 24

[Excerpt] Political cooperation and the network of bilateral and extra-regional defence ties in ASEAN have helped ensure regional stability.

And because the interdependent defence links reinforced the member countries' security, new security arrangements—while they should be studied—should not be at the expense of existing ones, which have proven their worth.

Dr. Lee Boon Yang, the second minister for defence, made this assessment at the Istana [Palace] yesterday while officiating at the graduation ceremony for officers of the Singapore Armed Forces' Command and Staff College.

He said that as flexibility and pragmatism were the cornerstones of ASEAN's defence and security orientation, the grouping had avoided the unnecessary burden of a formal defence pact, preferring instead to cooperate bilaterally.

Dr. Lee also noted that several member countries had extra-regional defence links and that there was also a consensus on the need for national and regional resilience and the eventual prospect of a zone of peace, freedom and neutrality.

He noted that cooperation did not come easily within ASEAN all the time.

He said that this was understandable given the diversity within the grouping.

"The occasional 'hiccups' in bilateral defence relations must be expected. They merely reinforce the need for more consultation and confidence building," he said.

His wide-ranging speech on security and cooperation in ASEAN also touched on the tumultuous world events over the past two years and how they emphasised the depth of regional and global interdependence and the advantages of cooperation.

On Vietnam, Dr. Lee said that despite winning the war militarily, it has lost heavily economically.

He added that a likely settlement in Cambodia and the possible resumption of ties between the United States and Vietnam augured well for regional stability, provided the Indochinese countries are finally committed to economic development.

Dr. Lee was addressing 53 officers who were graduating from the Command and Staff College, their families, senior Mindef [Ministry of Defense] and SAF [Singapore Armed Forces] officials and foreign defence advisers.

Also present was General Lisandra Abadia, the visiting chief of staff of the Phillippines Armed Forces. [passage omitted]

Writer on Goh Chok Tong's Prospects

BK2908022591 Bangkok BANGKOK POST in English 29 Aug 91 p 4

["ASEAN Viewpoint" by M.G.G. Pillai: "Goh seeks firm mandate"]

[Text] Singapore's seventh general elections this Saturday is Prime Minister Goh Chok Tong's first challenge since he succeeded Mr Lee Kuan Yew last November. The People's Action Party (PAP) would be returned, as it has in every election since 1959, but it faces more problems within itself than with the opposition. The diffused, out-of-touch, apparently irrelevant opposition is not up to the mark, and its best bet is for its sole member of parliament, Mr Chiam See Tong of the Singapore Democratic Party (SDP), to retain his seat.

Forty-one of the PAP's 81 candidates were returned unopposed on nomination day (August 21) from ten four-member constituencies and and one single-member constituency. Singapore, with three-quarters of its citizens being Chinese, grouped 60 of its 81 members of parliament into 15 four-member constituencies, among whom must be representatives from its minority communities. Provision is made for at least four opposition members of parliament; if fewer are elected, then up to four defeated candidates with the highest votes are appointed as non-constituency members of parliament, with a right to speak but not vote.

The PAP can form the government now but Mr Goh has to hold on to, or improve on, what it had in the dissolved parliament, or risk internal challenges. The fact is that while the PAP dominates the government, and Mr Goh heads it by virture of its support, he sits atop a greasy pole. He needs to prove himself to his party, the people of Singapore and his critics that he is the man of the moment, that he can step into the shoes of the incomparable Mr Lee, that he can lead Singapore into the 21st Century.

Which is why Mr Goh wants a personal mandate now, rather than piggy-back on Mr Lee's until 1993, when parliament's term was set to expire. That, more than opposition Workers' Party leader J.B. Jeyaratnam's complaint that elections before 10 November (when his five-year ban on contesting elections lapsed) was to prevent him from standing, triggered the general elections. Still, though no one talks about it, should Mr Jeyaratnam be returned, now or ever, that setback to the PAP could damage Mr Goh's hold on power.

This looks a silly argument to anyone unversed in the Chinese attitude to power, evident in Singapore. It is not. Westernised as Singapore is, traditional Chinese political practices and presumptions prevail. This drives Mr Lee to ensure that his son succeeds Mr Goh before too long. The Chinese-educted Singaporean remains a driving force, however Westernised the society has become.

Mr Lee consolidated the PAP's hold over Singapore by his plaintive promise, in the general elections of 1967, two years after independence that without an opposition to second-guess it, it could offer consistent economic growth and personal wealth. That was granted. The economy took off, to the amazement of its citizens and the world. The opposition lost every seat it contested until 1981, when Mr Jeyaratnam was returned in a by-election. Shortly thereafter, the economy took a downturn.

A straw in the wind though that was, it was enough for Singaporeans to believe that the PAP's "mandate from heaven"—the legendary rationale for power among the emperors of China through the centuries—was dented. Hence the official crackdown on Mr Jeyaratnam, which led to a jail term, a ban from legal practice and, in 1986, from electoral politics for five years, and a redrawing of the ground rules to ensure the PAP's continuance in office. Enough Singaporeans believe that the general election was to prevent Mr Jeyaratnam from contesting that Mr Goh now promises by-elections within 18 months to enable him to stand.

Be that as it may, Mr Goh is popular among the English-educated. He is one of them. As one perceptive diplomat in Singapore said: "Mr Goh, with his buttoned down yuppie-type shirts, is as much a man-of-the-moment of present-day Singapore as Mr Lee was of his generation." He dismantles and reverses some of Mr Lee's autocratic laws and authoritarian decisions that turned many Singaporeans against the PAP, and to migrate. He liberalised censorship of books and films; is more open in his approach to problems, and in his contacts with the electorate; tries harder for a relationship, however tenuously, with the voters. Mr Lee was accessible only when he wanted to be, which was rarely.

The split in the PAP is barely discernible on the surface. Most of the 400 or so cadres, who chose the leaders, back Mr Goh; the others back Mr Lee and his son, Mr Lee Hsien Loong, the second deputy prime minister toted as Mr Goh's successor. But this presages no major change of attitudes. Both want a highly authocratic hold over state, government and citizens; only the approach differs.

Mr Goh's problem, in this election and after, is to retain the Chinese-educated support, which leans towards Mr Lee. The opposition is a problem only if it doubles or even trebles the one seat it had in the last parliament. Its intractable dilemma is that should there be more than Mr Cham in parliament, or that the PAP's share of votes drop form its 61 per cent in 1988, the hardliners could well edge Mr Goh out. It is in its interest that Mr Goh be undisturbed. It is more comfortable with Mr Goh than with Mr Lee, father and son. If it wins more seats, or does not, its problems multiply.

Mr Goh has been quick to grab issues that show him a strong, firm leader. The orchestrated press attacks on the recent Malaysian-Indonesian military exercise in Johore, opposite Singapore, was one such. The Press carried seemingly uninspired letters about a co-ordinated Indonesian-Malaysian threat to the country's security. But Singapore did not mention until much later that it knew all about it, officially, from the start and that Singapore military officials had observed it.

Singapore's paranoid fears of a co-ordinated attack on the Island, especially after Iraq's invasion of Kuwait last year, was a good peg with which to warn Singaporeans of the dangers ahead. This is to be expected. Many a Pakistani politician wakes up daily, fearful of what attempts India plans, or thinks it plans, to destabilise his country in the same way Singapore politicians worry and fear Jakarta's, and Kuala Lumpur's, intentions towards it.

When four Pakistanis hijacked a Singapore Airlines jet early this year, on a flight from Kuala Lumpur to Singapore, Mr Goh's aides and advisers believed it was an attempt—by whom, they do not say—to test Mr Goh's stewardship, Singapore's military preparedness, and the government's ability to thwart attempts of this type.

Mr Goh needs to cut, once and for all, his political umbilical cord to Mr Lee, and run the government with his brand of an authoritarian streak within a seemingly liberal framework. Mr Lee, since he stepped down, is known to second guess Mr Goh, with or without his knowledge or consent. Mr Goh wants Mr Lee not as elected president but as senior minister, which he has been since he stepped down in November last year. He would decide to remain or retire as prime minister, he says, after at least ten years in office.

But he is in a quandary. He has to allay the fears of the Chinese-educated electorate, a dwindling number in their 40s and 50s, of an erosion of Chinese culture from its pristine form. They look upon the loosening of the tight bureaucratic and political facade of the past three decades as a sellout and as a weakness and they are strong supporters of Mr Lee.

Mr Goh also has to woo the uncommitted voter. He wants a weakened, under-represented opposition in parliament, and certainly not Mr Jeyaratnam. He wants Mr Lee Hsien Loong, placed as a distant rival whose future depends on Mr Goh and no one else. Every other issue seems extraneous. All that has yet to be known is how many opposition members would be returned, and what the PAP's percentage of votes would be. On that depends Mr Goh's futre.

Cambodia

Phnom Penh Hails 70 Percent Demobilization

BK2908111791 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1300 GMT 28 Aug 91

[Station commentary: "A New Hope for Our People"]

[Text] Following a spell of disagreement, on the morning of 27 August, the Supreme National Council [SNC] agreed that the armed forces and weapons of the four Cambodian factions be reduced by 70 percent with the remaining 30 percent confined to barracks under the control of the UN Transitional Authority in Cambodia, [UNTAC].

This is a good news and a great source of pride for the entire Cambodian nation. It is good news because the military question is one of the most complex and acute among the remaining issues that needs to be further discussed and settled within the SNC and the Coordinating Committee of the Paris International Conference on Cambodia [PICC]. It also a proud moment for the Cambodian nation because all hostile Cambodian factions, for the sake of the supreme and vital interests of the nation and people, are finally reconciling and making concessions with one another in the spirit of mutual understanding without any external interference.

Although this SNC decision still has to be submitted to the forthcoming meeting of the permanent members of the UN Security Council, it has given the Cambodian people much hope. The SNC has taken a big step in its capacity as the symbol of Cambodia's independence and sovereignty, on the basis of the 28 August 1990 framework document and the 26 November 1990 UN blueprint for peace.

The SNC agreement on the military question is a synthesis of the UN documents and the real situation of the country, made on the basis of the Cambodian people's vital needs. For this reason, our people hold that although this agreement is a slight amendment of the UN blueprint, it will enjoy the support of the international community, especially the Perm Five which has recognized the SNC.

The SNC's progress in Phatthaya is certainly due to the immense concessions and genuine goodwill of the State of Cambodia which has always placed the common interests of the nation and people above everything else. They have done everything to bring about an agreement for a comprehensive political solution to the Cambodian problem and for an early end to the conflict and misery of the Cambodian people. Without the State of Cambodia's concessions, the SNC would never reach such an agreement. Also, no one can compel the State of Cambodia to accept the view of any individual or foreign country if that view or formula affects the vital interests of its nation and people. Nevertheless, with this new hope, Cambodians continue to be worried about the implementation of the just-concluded agreement during the transitional period. This is a reasonable worry that calls for close attention as it is correct that warring Cambodian factions reduce their forces, arms, and ammunition by 70 percent. However, in practice, what should we do about the other Cambodian side, especially the Polpotist bandits who are roaming the forests in their guerrilla existence without specific camps or positions. The State of Cambodia controls more than 90 percent of the territory and population, and the Cambodian People's Army is a regular Army with specific camps and positions and registered units, for both troops and weapons. Moreover, everybody knows the other Cambodian side, especially the Polpotists, has hidden considerable amounts of arms and ammunition in the forests and mountains. According to the estimates of some observers the amount is large enough for them to wage a war for five to seven years without the need for foreign supplies.

In addition, (Roger Norvis), author of the Harvard Regional Bulletin, wrote: While introducing the situation of his men in 1988, Pol Pot said even if there is a political solution, his forces will continue to defend themselves in deep jungles.

Therefore, the hope of the Cambodian people would fizzle away if they put down their guard a little, as the somber era of three years six months and twenty days would recur. Then, the Cambodian people would lose even their right to live as human beings, let alone holding free, democratic, equal, and fair elections. It is for this reason that our people are appealing to the other Cambodian side to be sincere to the nation and people, and we appeal to the United Nations to conduct its controlling and monitoring mission very strictly.

Chea Sim Presides Over KUFNCD Session

BK2908100791 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1300 GMT 28 Aug 91

[Text] The Fourth National Council of the Kampuchean United Front for National Construction and Defense [KUFNCD] held its sixth session on the morning of 28 August at the National Assembly's office with participation of KUFNCD representatives from all provinces and municipalities throughout the country and over 250 representatives of mass organizations, monks, people, and ethnic minorities in Phnom Penh. The session was presided over by Comrade Chea Sim, member of the party Central Committee Political Bureau and chairman of the National Assembly and of the KUFNCD National Council.

In his opening speech Comrade Chea Sim said that the Sixth Session of the Fourth KUFNCD National Council was a valuable opportunity for all members to reflect the outcome of implementation of the party-front work and policies and the state's laws, the process of work on the ideological front, and implementation of the mass persuasion work in society at a time when our nation is building and gathering forces in a single great national united front, carrying out national reconciliation work, and building a peaceful, independent, democratic, neutral, and nonaligned country that has friendly relations with its neighbors and all countries across the world.

Comrade Chea Sim expressed the conviction that all participants would use all their physical and spiritual strength and wisdom in reviewing and evaluating the mass persuasion work on the basis of [words indistinct] party and front and other resolutions of the state.

Comrade Chea Sim stressed that all participants should jointly express their views concerning measures and techniques on providing guidance on work implementation for the front and mass organizations to work effectively in response to the future important situation.

12th National Education Conference Opens

BK2908070791 Phnom Penh SPK in English 0439 GMT 29 aug 91

[Text] Phnom Penh SPK August 29—The 12th national conference on education was opened in Phnom Penh Tuesday, August 27, by the Ministry of Education to evaluate the situation of national education in 1990-91.

Present at the conference were Education Minister Yos Son and Khoy Khun-huor, first vice president of the Commission for Propaganda and Education of the People's Revolutionary Party of Kampuchea Central Committee.

The conference, which will last until Aug. 31, 1991, was also attended by representatives of educational services across the country.

In his opening speech, Yos Son said this conference concentrated on the consolidation of "education for all", especially the primary level, which is the base for developing the educational system.

According to a report presented at the conference, at present the country has 34,665 primary schools, with more than 1,322,100 pupils, or up by 155 schools and more than 45,100 students over the last school-year.

This year, 82 percent of the school-age children, or 91 percent in urban areas and 76 percent in rural areas, go to school. The number of junior-high schools increased from 392 last year to 402 at present, with more than 230,700 students, while the senior-high schools increased to 69 from 61 last year and are attended by more than 48,000 students or up by more than 4,700. The kindergartens decreased from 416 to 264, while the number of children attending dropped from 59,540 to 51,421.

Higher education showed remarkable progress, with seven higher educational centres including 36 colleges, 27 secondary vocational schools and 32 primary vocational schools. In the 1990-91 school-year, there were 40 post-graduates, 6,696 university students, 13,236 secondary vocational students, and 23,370 primary vocational students and specialized workers.

This year, 729 students were granted scholarships to continue their study abroad, including 18 post-graduates and 442 university students. Also this year, thousands of students finished their study at home and abroad, including 922 of higher education, 4,990 of secondary vocational schools, and 3,017 specialized workers.

As far as adult education is concerned, there remain more than 220,600 illiterates, of them 32,310 are encouraged to learn the three R's.

Sihanouk Congratulates Gorbachev's Return

BK3008072691 (Clandestine) Voice of the Khmer in Cambodian 1100 GMT 29 Aug 91

[Text] In his capacity as chairman of the Supreme National Council [SNC] of Cambodia, Samdech Norodom Sihanouk has sent a telegram to Soviet President Mikhail Gorbachev, expressing relief at Gorbachev's return to office following last week's failed coup d'etat by hardliner communist leaders.

In the telegram sent to Gorbachev on 23 August but released yesterday, SNC Chairman Samdech Norodom Sihanouk said that the SNC and he were relieved to learn of Gorbachev's triumphant return to Moscow to resume his functions as President of the Soviet Union.

VOK on SNC Meet, Unresolved Election Issues

BK3008085991 (Clandestine) Voice of the Khmer in Cambodian 1100 GMT 29 Aug 91

["Report from Phatthaya City in Thailand by Pol Ham, editor of Voice of the Khmer radio, on the Thursday meeting of the Supreme National Council of Cambodia"—recorded]

[Text] Two important issues were discussed at the meeting of the Supreme National Council [SNC] of Cambodia on 29 August—namely, the issue of human rights and the procedure to elect Cambodia's legislative assembly.

Concerning the human rights issue, the parties of Mr. Khieu Samphan and Mr. Hun Sen agreed not to use the word "genocide" in the draft agreement.

Concerning the electoral system, there were differences between the parties of His Excellency Son Sann and Mr. Hun Sen. The Hun Sen party demanded election of individual candidates in each constituency, while His Excellency Son Sann's party favored the big five countries' document according to which political parties will be elected, with each political party presenting a list of its candidates for election and inclusion into the legislative assembly that will draft the constitution.

Due to the differences of opinion on this issue, if no agreement is reached the issue will be discussed again in New York next month.

Ieng Muli, secretary general of the Khmer People's National Liberation Front [KPNLF] Executive Committee, said that His Excellency Son Sann and himself, who represent the KPNLF in the SNC, hold that the KPNLF's support for such an election of political parties has the following benefits:

1. This election of political parties is already mentioned in the Perm Five countries' document and would reduce the huge budget needed to help rebuild our Cambodia.

2. In the current situation it is not yet possible to clearly establish electoral constituencies. This should be left to the legitimate legislative assembly to decide.

3. This election of political parties is good for this first time because this would enable the political parties that have received vast support from the people to select competent persons to draft appropriate state laws and build the country for the benefit of our Cambodian people.

4. This could solve the security issue resulting from a threat against individual candidates in constituencies during the interim period.

Concerning the A-3 police issue, before the meeting Hun Sen told reporters that the A-3 police no longer exist. However, Rafeeuddin Ahmed, representative of the UN secretary general, said he will ask the UN military expert to clarify the issue later to ascertain what kinds of forces are troops, whose numbers will be reduced by 70 percent, and what forces will be considered police to ensure security for the Cambodian people.

It should be specified that on Thursday morning there were two meetings: the SNC meeting and the meeting of the five major countries, the five permanent members of the UN Security Council. The meetings were held in two separate rooms in the Royal Cliff Hotel. The meeting will continue in the afternoon.

Also to be specified is the fact that after the morning session Samdech Norodom Sihanouk said the United States has given 50,000 dollars to assist the Cambodian people affected by floods in the zones controlled by Hun Sen. This aid money will be used by nongovernmental U.S. organizations.

The SNC has also decided to ask the UN secretary general's representative to request more UN aid to assist the affected Cambodian people.

Chinese Deputy Foreign Minister on SNC Meeting

BK3008081291 (Clandestine) Voice of the Khmer in Cambodian 0430 GMT 30 Aug 91

[Text] Chinese Deputy Foreign Minister Xu Dunxin said yesterday that China was very pleased with the agreement reached by the Supreme National Council [SNC] of Cambodia in Phatthaya over the past two days even though it supported the UN peace plan worked out by the five permanent members of the UN Security Council.

The Chinese deputy foreign minister said that the principle issues had already been tackled and what was left for discussion were just minor questions.

At the same time, a Chinese official said that Xu Dunxin held discussions with the Hun Sen side on the proposal for the amendments to the draft UN peace plan for Cambodia.

This Chinese official also revealed that Chinese Foreign Minister Qian Qichen's visit to Cambodia's Phnom Penh would depend on the progress of the ongoing SNC talks in Phatthaya.

Khieu Samphan on Phnom Penh Demand

BK3008075791 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 29 Aug 91

["Text" of "Statement by His Excellency Khieu Samphan on the Phnom Penh side's proposal to amend the UN document" "at the 28 August 1991 morning session of the Cambodian Supreme National Council's meeting" in Phatthaya—read by announcer]

[Text] Greetings to respected Samdech [Sihanouk], the meeting, and all the excellencies present here.

First of all, allow me to express thanks to His Excellency Rafeeuddin Ahmed, representative of the UN secretary general, for providing detailed clarifications on the proposal to amend the document of the five permanent members and the Paris International Conference on Cambodia [PICC] cochairmen. These clarifications are of great help to our discussion at our Supreme National Council [SNC] meeting today under the chairmanship of the samdech, SNC chairman.

Before going into the discussion of the proposal to amend the document by the SNC member from the Phnom Penh side, I would like to make the following request to His Excellency Ahmed and the PICC cochairmen, and through His Excellency Ahmed to the five permanent members of the UN Security Council [UNSC].

Yesterday His Excellency Ahmed said Annex II of the 26 November 1990 draft agreement on the withdrawal of troops, the cease-fire, and relevant measures should be revised. I understand His Excellency's purpose, namely that Annex II should be amended to conform to the changing situation up to this day, in seeking to solve the Cambodian problem with regard to such issues as the cease- fire, the cessation of foreign military aid, and the decision to dissolve 70 percent of the armed forces of the four Cambodian parties, and so on. However, in order to be clearer, I believe that all the excellencies, like the five permanent members, are not aiming to change the essence of the five permanent members' 28 August 1990 framework document.

Having specified this, I would like to express my view on the Phnom Penh side's proposal to amend the document.

1. Many points of the Phnom Penh side's proposal to amend the document affect the essence of the 28 August

1990 framework document. These points have already been clearly pointed out by His Excellency Ahmed, representative of the UN Secretary General. I fully agreed with His Excellency Ahmed. I would like to propose that His Excellency Hun Sen of the Phnom Penh side abides by the 28 August 1990 framework document and withdraws all these proposals. I would only mention one problem relating to the Phnom Penh's side amendment proposal.

In the proposed amendment of the Phnom Penh side, the words "military armed forces" are used. His Excellency Ahmed has clearly explained that the addition of the world "military" affects the essence of the 28 August 1990 framework document because this document talks about forces and armed forces, which also includes semi-military forces. I fully agree with His Excellency Ahmed. The Phnom Penh side's amendment proposal however shows that we should clearly define the words "forces" or "armed forces." Here I think that we should be more specific about two other types of forces.

I. The Phnom Penh side's A-3 force;
II. The organization of police of the Phnom Penh side and the resistance forces.

It is clear that this A-3 force is an armed force no different from the Army. Therefore, this should be included in the 70 percent of forces to be regrouped, disarmed, and dissolved.

The following is the history, true nature, and activities of the Phnom Penh side's A-3 force.

Biography of the Phnom Penh side's A-3 force.

From 1979 to 1985, the Hanoi Vietnamese dispatched an armed police force called Cong Anh Nhan Dan [People's Security Forces] from Vietnam to Cambodia as a major strategic force in Vietnam's aggressor forces in Cambodia. This force is engaged in battle and armed with modern weapons like regular Vietnamese troops except for the fact it does not have heavy weapons.

In 1985, when Vietnam launched a large-scale military offensive aimed at wiping out the Cambodian National Resistance Forces along Cambodia's westwern border, Vietnam used this armed police force as a major force in combination with regular troops. There is a regiment of this force on the Koh Kong battlefield, two regiments on the Phnum Kravanh battlefield, and a regiment on the South Sisophon-Malai battlefield. This force is also present on the Dangrek mountain range battlefield and in Kompong Cham. In other provinces, there are also independent regiments under the command of the Hanoi Vietnamese's Interior Ministry.

At the end of 1985, Vietnam was forced to stop dispatching armed police force to Cambodia and set up Cambodian armed police as a replacement, called A-3, using the command of Vietnam's armed police force, which used to operate in Cambodia, as the core. At that time, it was Mai Chi Tho, member of the Political Bureau of the Communist Party of Vietnam Central Committee and interior minister, who was directly in charge of this force.

This is how Vietnam operated in setting up this Cambodian A-3 force. They:

1. Sent Cambodians to Vietnam for training;
2. Selected some for further training in East Germany;]
3. Provided further political training in Vietnam before dispatching these men to operate in Cambodia.

A-3 is under the direct administration of the Interior Ministry or Security Ministry. This force is stationed in every locality, district, commune, and village.

A-3's tasks are: To repress and arrest Cambodian national resistance forces, nationalists, and Cambodians (in doing this, the A-3 have the right to ignore all village, commune, and district state authorities); to recruit soldiers to serve in the Phnom Penh Army, round up people for K-5 forced labor in western Cambodia, and plunder paddy, rice, and property at will, under the guise of patriotic contributions; to assist in fighting against the Cambodian national resistance forces whenever the Phnom Penh Army face difficuties on the battlefield (in battle, the A-3 force uses the same weapons as Phnom Penh side's troops).

II. The issue of police ensuring order

On this issue, I would like to express the following view on the situation.

In the past, the police ensuring order on the Phnom Penh side were a repressive force who arrested people, resistance fighters, and other nationalists.

The Phnom Penh side also has its police to ensure order. The three resistance forces, including the Party of Democratic Kampuchea, also have their respective police to ensure order and protect the people's lives and property in liberated zones and guerrilla zones. The guerrilla zones are not very different from liberated zones because enemy troops can attack these zones only once or twice each year.

In such a situation, if we maintain our respective police, zones belonging to this or that party will remain. Furthermore, the boundary of each party's zone is not clearly defined. Throughout Cambodia, there are currently zones controlled by the Phnom Penh side, the Khmer People's National Liberation Front, the National Army of Independent Cambodia of Prince Norodom Ranariddh, and zones alternately controlled by the National Army of Democratic Kampuchea. These zones are interconnected nationwide.

Maintaining such a situation would mean continuing to make the people's daily life and movements difficult. Also there would be no neutral political atmosphere in each zone. Each side entering the zone of another side will constantly feel insecure, psychologically and morally. There would be no clear guarantee for personal safety. How do we solve this problem?

I propose to the meeting that we set up an SNC police under the direct administration of the UN Transitional Authority in Cambodia [UNTAC]. For example if 2,000 and 3,000 policemen are needed for ensuring order in Phnom Penh and other major cities, these men would come from the SNC police. In provinces, districts, communes, and villages, we would organize the same SNC police. These policemen can be unarmed and wear only a uniform. With a rubber club, they can ensure order. From experience in our Cambodia during the samdech's era, policemen ensuring order generally do not have firearms, not even pistols.

Thus, I would like to stress that the best way to solve this issue is to set up only one police force, that of the SNC, and that this force should not be armed.

A number of points of this amendment proposal are additions to the 28 August 1990 framework document. Their Excellencies Hun Sen and Hor Namhong have specified to the samdech and informed our SNC meeting that the Phnom Penh side still fully abides by the 28 August 1990 framework document and will not demand that anything be added to this document. It is therefore proposed that the Phnom Penh side withdraw all these proposals and preserve the document without adding anything else.

A number of points of the Phnom Penh side's amendment proposal, such as the words "condemned by the world" and "genocide", should not be added to the five permanent members' document. Furthermore, we have many times discussed these words. I have discussed this issue many times with Nguyen Co Thach. Past experiences have shown that raising these words again will only block our progress.

A number of points in the Phnom Penh side's proposal can be discussed by our SNC in order to further clearly define the five permanent members' document. For example, the issue relating to the question of who is eligible to vote, determining the conditions for setting up a new party, the electoral procedure, and so on. All these issues can be discussed now or at another time.

Furthermore, if we refer to laws practiced by liberal democratic countries, combined with the 28 August 1990 framework document and the 26 November 1990 document, and coupled with a spirit of compromise and national reconciliation, we can have a sufficient basis to proceed further. For example, with regard to the rights of our compatriots who have been forced to escape rom their country to live abroad, we should not make a decision. Whether they return to the country as refugees within the framework of a comprehensive solution in accordance with the 26 November 1990 document, or through their own means at any other time, we should respect these compatriots' rights in elections and in setting up new political parties.

In sum, I would like to make the following proposals:

1. That the Phnom Penh side withdraws some of the points in its amendment proposal that affect the essence of the framework document.

2. The points that add to the framework document should also be withdrawn so that we can move quickly toward a comprehensive solution.

3. The points that everyone feel should be raised to further clearly define the document can be discussed now or later.

Philippines

Reactions to Bases Treaty Ratification Continue

House Bloc Against Signing

HK2608111491 Quezon City Radyo ng Bayan in Tagalog 1000 GMT 26 Aug 91

[Text] The House progressive bloc once more urged the Philippines not to sign a new bases agreement. Anna Soriano reports.

[Begin recording] Congressman Gregorio Andolana, the group's spokesman, told the Philippine Broadcasting Service that this is the only way to end the military war between the government and the National Democratic Front [NDF]. According to Andolana, the NDF promised to declare a cease-fire if the government agrees to finish the prevailing bases agreement. He stressed that the country could get more advantage through the peace brought about by the ceasefire than the economic benefits derived from the bases agreement. Andolana said the over $200 million per year offered by the United States is only equivalent to the amount used by the Defense Department in a 120-day counterinsurgency operation. [end recording]

Senator Warns of Rejection Trauma

HK2608145291 Quezon City DWDD Defense Department Radio in Tagalog 1300 GMT 26 Aug 91

[In English]

[Text] Senator John Osmena said that there is a possibility that a Senate rejection of the bases treaty will create a post-rejection trauma. According to Senator Osmena, there will be varied reaction on the outright rejection by the senate of the treaty and that several factions might take advantage of any confusion that may arise. Senator Osmena said that the government must be ready for such eventuality.

[Begin Osmena recording, in progress] ...will be very, very severe. The Americans will feel rejected. There will be a lot of harsh words coming from the American politicians and, on the part of the Filipinos also, I'm sure Salonga and his gang of leftists would be cracking around like hiccups. So, this has to be managed. That is what I am advocating. [end recording]

On the other hand, Department of Trade Secretary Peter Garucho stressed that the senate's rejection of the bases treaty will have a negative effect on the country's economy. According to Secretary Garucho, the RP [Republic of the Philippines]-U.S. relations have a direct effect on the influx of foreign investors.

Governors Endorse Ratification

HK2608053691 Quezon City Radyo ng Bayan in Tagalog 0400 GMT 26 Aug 91

[Text] The League of Provincial Governors [LPG] approved a resolution endorsing the ratification of the Republic of the Philippines-U.S. Treaty of Friendship, Cooperation, and Security. According to Bulacan Governor Roberto Pagdanganan, the LPG chairman, all governors are supporting the new treaty. He said they all believed that the bases treaty will help in the recovery of the country's livelihood and economy, especially since the country is now in a crisis. In a report, Pagdanganan said all LPG members are calling on the Senate to ratify the treaty.

Military Aid 'Depends' on Outcome

HK2608130491 Quezon City Radyo ng Bayan in Tagalog 1000 GMT 26 Aug 91

[By Josette Olivera]

[Text] Additional military assistance to the country from the United States depends on the ratification of the new agreement on the military bases. This was stated by the Philippine Army chief, Major General Arturo Enrile, when asked whether there is still help expected from the United States for the modernization of the Armed Forces of the Philippines; however, he said that in the past bases agreement in 1989 and 1990, there should still be military aid expected from the U.S. [sentence as heard]. Enrile cited the over 900 jeeps, most of which are reserved for the Philippine Army, additional artillery pieces, and cargo trucks. These equipment, he said, is due to arrive in the country before the current year ends.

Military, Police Said To Realign

HK2708134791 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 27 Aug 91

[By Fernan Imberga]

[Text] The Armed Forces of the Philipines [AFP] and the Philippine National Police [PNP] will join forces tomorrow to ask and pressure the Senate to ratify the new treaty on the retention of the U.S. military bases in the country. In our interview with a high ranking official or PNP general who does not want to be identified, at about 0800 [0000 GMT] tomorrow morning, all the leaders and commanders of the PNP and AFP will hold a command conference, the first of its kind at the Camp Crame multipurpose hall. They will also go to Malacanang where they will meet with President Corazon Aquino. The realignment of the PNP and AFP, after the establishment of the former as a separate force responsible for internal defense and maintainance of the peace and order situation under the new Department of Interior and Local Government, will be reenacted to ask the Senate to ratify the new treaty. The alignment of forces by the AFP and the PNP will take place despite the absence of AFP Chief of Staff General Lisandro Abadia, who is presently in Singapore and is also scheduled to go to Malaysia. Tomorrow, 28 August, is the fourth anniversary of the failed 28 August 1987 coup attempt headed by renegade Colonel Gringo Honasan. Stand by for tomorrow's developments.

Economist Views Effect on GNP

HK2908125791 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 29 Aug 91

[Text] A private economist announced that there might be a decline in the country's gross national product by 30 to 57 percent if the Senate is unable to ratify the new bases treaty. The treaty, which was signed by Foreign Affairs Secretary Raul Manglapus and U.S. Ambassador Frank Wisner, is currently in the Senate for the necessary ratification.

CRC [expansion unknown] Vice President Bernardo Villegas said that the moment the Senate fails to ratify the new agreement the Philippines' economy will find it hard to recover in 1992.

'Conditional Ratification' Gains

HK3008052691 Manila THE CHRONICLE in English 30 Aug 91 pp 1, 6

[By Johanna Son and Elizabeth Perez]

[Excerpt] A move for "conditional" ratification of the new bases treaty is gaining ground in the Senate even as President Aquino reiterated her determination to have the accord ratified.

Senators yesterday suggested five "amendments" that may be spelled out in a resolution for concurrence: implementation of the Constitution's nuclear-free provision; ratification by the U.S. Senate; shorter duration of Subic's lease and its privatization at the earliest possible time; a concrete debt-reduction scheme; and a program for displaced base workers.

The senators clarified that the treaty would be considered in force only if these five qualifications are accepted by President Aquino and then by the U.S. Senate.

While some see the conditional concurrence as a means to salvage the accord and avoid embarrassing the President, others considered it as a camouflaged rejection.

Senate President Jovito Salonga, for instance, said the conditional ratification "is a polite form of rejection," since it is unlikely that Mrs. Aquino and the U.S. would accept the proposed changes.

Nevertheless, said Sen. Leticia Shahani, it "might be a way of defusing the seemingly polarized positions (on the treaty)."

Sen. Rene Saguisag, who cited precedents for the formula in the Philippines and in the U.S. said conditional ratification could draw more yes votes.

The proposal has been discussed over the past two days by Salonga and Saguisag, who are against the treaty, and Senators Mamintal Tamano and Shahani, who are for ratification.

In Malacanang, Mrs. Aquino reiterated she was determined to have the treaty ratified and will not stop until the Senate shall have voted," she said.

Mrs. Aquino also announced she would convene the Council of State next week, in an apparent move to pressure the Senate into ratifying the treaty, which would extend the stay of U.S. bases here for another 10 years.

It will be the council's first meeting since its establishment in 1987. The council is a consultative body whose main function is to give the President "reliable information and competent advice on pressing issues and problems of national interest."

However, Mrs. Aquino declined to say who would be invited to the meeting, nor whether the opposition would be included. Vice President Salvador Laurel, who is at odds with the administration, is a member of the council.

"An announcement of the persons invited to the meeting will be made by Executive Secretary Franklin Drilon," the President merely said.

Mrs. Aquino also said Malacanang had already sent to U.S. President George Bush "certain proposals" on debt relief. Bush assured Mrs. Aquino, in a telephone conversation Wednesday, that he would discuss with U.S. Treasury Secretary Nicholas Brady specific proposals from Malacanang on how to help settle the Philippines' $29-billion foreign debt.

But senators interviewed dismissed Bush's assurance is vague and a "mere propaganda."

Pro-bases Sen. Vicente Paterno said he defined substantial debt reduction as the lowering of principal and interest payments, especially to American commercial banks, not the debt buy-back scheme found in Bush's earlier side letter to Mrs. Aquino.

"But if Bush extends substantial reduction, then that would be a breakthrough," he added.

Saguisag called Bush's offer "Bush-it," and Sen. Aquilino Pimentel remarked: "If they will do a Poland to us and write off $17.5 billion, then I will consider it... Phone conversations mean nothing."

[passage omitted]

Senate Wants Debt Relief Letter

HK3008025791 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 29 Aug 91

[Text] The Senate has challenged U.S. President George Bush and President Corazon Aquino to put into writing a formal letter on any debt relief that will be offered by the U.S.to the Philippines in exchange for the ratification of the new bases treaty. In relation to this, Senator Alberto Romulo said that this is the right opportunity for the issue to be resolved. According to Romulo we must take advantage of the present situation so that we can ask for a little amount to pay our huge debts from foreign banks.

Senate Dismisses Bush Promises

HK3008054191 Manila PHILIPPINE DAILY INQUIRER in English 30 Aug 91 pp 1, 8

[By Tony Bergonia]

[Text] The Senate yesterday remained firm in its opposition to the proposed base agreement despite U.S. President George Bush's promise of additional military and financial aid to Manila.

Sen. Rene Saguisag said he and his colleagues were now looking for a "polite way" of rejecting the RP [Republic of the Philippines]-U.S. Treaty of Friendship, Cooperation and Security to avoid embarrassing President Aquino.

Ms. Aquino planned to convene the Council of State next week to drum up support for the pact which Foreign Secretary Raul Manglapus and U.S. Ambassador Frank Wisner signed Tuesday.

The treaty must be approved by two-thirds of the 23-man Senate where opposition to the treaty was strong despite Ms. Aquino's lobbying.

Under the proposed agreement, the United States shall give up Clark Air Base but keep Subic Naval Base for 10 more years. In exchange, Washington pledged to pay Manila $363 million in 1992 and $203 million every succeeding year until 2002.

In a letter to Ms. Aquino, Bush promised additional military and economic aid for Manila, including surplus military equipment to modernize the Armed Forces of the Philippines.

In a telephone call to Ms. Aquino Tuesday, Bush also promised to consider Manila's proposal for debt relief and increased financial assistance.

But Senate President Jovito Salonga and opposition Sen. Juan Ponce Enrile said Bush's offer of aid were "mere promises," adding they stood firm against the treaty.

"I'm not buying that Bush-it," Saguisag said.

"Bush's statements are just platitudes. Phone conversations mean nothing. They cannot even fulfill their current base compensation commitments, so how can we rely on a mere phone call?" Sen. Aquilino Pimentel said.

Sen. John Osmena asked Bush to put in writing his promise of additional aid.

Sen. Ernesto Maceda, chairman of the Senate defense committee, said his colleagues would not be persuaded to approve the treaty without firm guarantees of assistance from Washington.

Maceda dismissed Bush's offer of additional U.S. military aid in exchange for a new bases treaty, saying Manila might end up with second-hand helicopters and junk jeeps.

Maceda said the Philippine had been receiving obsolete military equipment from the United States for 30 years.

"We shall just continue to receive second-hand C-130s, helicopters, a few patrol craft and thousands of junk Kennedy jeeps," he said in a statement.

"If we were to focus on this aspect alone of the treaty the defense aspect—we are not persuaded at all," he said.

Vice President Salvador H. Laurel said on Wednesday that 10-13 senators opposed ratification and predicted its rejection. The treaty must be approved by at least 16 senators.

Rejection of the accord would force the United States to pullout from Clark and Subic and withdraw its remaining 8,000 troops by Sept. 16 when the current lease on the military facilities expires.

Richard Boucher, U.S. state department spokesman, told a briefing in Washington Tuesday that the United Stats would begin pulling out its troops rather than renegotiate the agreement rejected by the Philippine Senate.

Saguisag, a staunch supporter of Ms. Aquino, said he and his colleagues planned to approve an "amended" treaty.

This way, he said, the Senate would neither be outrightly rejecting the treaty nor approving a "one-sided deal in favor of the United States."

"We don't want to embarrass the President," Saguisag said.

Saguisag added he and his colleagues would insist on four major amendments as conditions for voting in favor of the treaty.

—A provision enforcing the Constitution's prohibition on nuclear weapons in the country. The proposed agreement allows the storage and transit of nuclear weapons in Subic.

—Specific guarantees on economic protection and benefits for Filipino base workers.

—A clear statement of the amount of U.S. compensation and guarantee of other U.S. aid.

—A provision reducing the agreement's duration from 10 years to seven years.

"This could be a polite way of rejecting the agreement," Salonga told reporters regarding Saguisag's proposal.

In a telephone interview, however, Tanada said imposing the conditions would be tantamount to rejecting the agreement.

"The effect would be similar to putting 'killer amendments' to the treaty," said Tanada.

Tanada, a staunch anti-bases advocate, said he would rather the Senate rejected the agreement outright, adding this would in no way embarrass Ms. Aquino.

"A vote of rejection is not a vote to embarrass the President. It is a vote against a very onerous agreement which a foreign power wants to ram down the throat of a weak Third World country," he said.

Saguisag said public hearings and floor deliberations on the agreement would be scheduled in order to allow a Senate vote before Sept. 16.

Sen. Agapito Aquino, the President's brother-in-law, said there were at least 12 senators who have taken a "hardline" stand against the agreement.

In a straw vote conducted by Salonga early this month, 16 senators rejected the agreement.

Those who voted against the agreement were Heherson Alvarez, Aquino, Joseph Estrada, Ernesto Herrera, Orlando Mercando, Pimentel, Santanina Rasul, Alberto Romulo, Saguisag, Tanada, Victor Ziga, Sotero Laurel, Teofisto Guingona, Maceda, Enrile and Salonga.

Senators Mamintal Tamano and Vicente Paterno voted in favor of the agreement. They were joined later by colleagues Edgardo Angara, Neptali Gonzales, Leticia Ramos-Shahani and John Osmena.

To drum up support for the agreement, Ms. Aquino planned to convene the Council of State next week, saying she wanted to hear the views and advice of the country's statesmen.

"With the signing of the treaty, we can expect that there will be even more discussions on the provisions, not only in the Senate but throughout our society," Ms. Aquino said.

Ms. Aquino chairs the consultative body. Its permanent members include the vice president, the Senate president, the Speaker of the House of Representatives, executive secretary, defense secretary, Armed Forces chief of staff, members of Congress and other Cabinet members.

Sources said former President Diosdado Macapagal, former Supreme Court Justice Cecilia Munoz-Palma and representatives of the private sector will also be invited to the council meeting.

Ms. Aquino said she will step up her lobbying to win Senate approval of the agreement.

Antibases Hardliners 'Softening'

HK3008121191 Quezon City Radyo ng Bayan in Tagalog 1000 GMT 30 Aug 91

[Text] Several senators are slowly softening their opposition to the Philippines-U.S. bases treaty after their talks with President Aquino. In the count by the Philippine Broadcasting Service [PBS] news, five of the nine Senate antibases hardliners have shown their willingness to yield to the president's wish of having the bases treaty ratified. Jojo Ismael reports.

[Begin recording] [Ismael] The nine hardliners in the Senate include Senate President Jovito Salonga, Senator Teofisto Guingona, Sotero Laurel, Juan Ponce Enrile, Joseph Estrada, Orlando Mercado, Agapito Aquino, Rene Saguisag, and Wigberto Tanada.

In separate interviews with PBS news, Salonga, Guingona, Mercado, Aquino, and Rene Saguisag said they are ready to change their position against the bases if changes on the contents of the treaty will be carried out. Senator Aquino, President Aquino's brother in law has this to say:

[Aquino] It must be clear that the Philippines will benefit from it. In what way? They said our economic problems are greater than our security problems. Well if that is so, those issues must be addressed. [end recording]

Aquino To Convene Council

HK3008092891 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 30 Aug 91

[By Dick Sinchongco]

[Text] President Cory Aquino will convene the Council of State on Tuesday [3 September] to discuss the measures which the government will carry out following the signing of the U.S. bases treaty. Malacanang assured that opposition members will be among those invited to the meeting. According to Press Under Secretary Horacio Paredes, about 30 people will attend the Council of State meeting. Among those to be invited are former government officials, the judiciary, and the private sector. Malacanang explained that the council was convened for the first time on 10 September 1987. The members of the council includes Vice President Salvador Laurel, Senate President Jovito Salonga, House Speaker Ramon Mitra, Executive Secretary Franklin Drilon, Defense Secretary Renato de Villa, Armed Forces Chief General Lisandro Abadia, and several members of the House and the Senate. In an interview, Drilon explained that the meeting will serve as a briefing on the terms of the treaty signed between the U.S. and Philippine Governments. Drilon also said that the president will solicit the opinions of the council members.

Soviet Envoy Comments on Bases

HK2808030191 Manila Far East Broadcasting Company in Tagalog 0100 GMT 28 Aug 91

[Text] Vitaliy Kuchuk, Soviet ambassador to the Philippines, says the American bases should leave the country after the ten year tenure stated in the treaty. The Soviet ambassador said that even though the U.S. military base is a bilateral issue between the Philippines and America, it has been their position for a long time that all foreign military installations must be dismantled before the end of the year 2000. After the signing of the bases treaty yesterday, Frank Wisner, the U.S. ambassador to the Philippines, said that they wish to remain in the Philippines even up to the 24th century [as heard]. The Soviet ambassador explained that there is no more basis for the Americans to extend their military base in the Philippines because of the new changes the Soviet Union is facing.

Columnist Views Aquino Stance

HK3008121791 Manila PHILIPPINES NEWSDAY in English 30 Aug 91 p 4

["Turn of Events" by Francisco Tatad: "Is the Fate of the Treaty Sealed?"]

[Text] Regardless of where you stand on the RP [Republic of the Philippines]-U.S. bases treaty, you probably wish you did not have to hear at all from President Aquino. Her mindless equivocation and fence-sitting under the rubric of "open options" for five long years was torture enough; her official statement hailing the treaty as an achievement of sorts is even more so. She incenses you if you are for the treaty, outrages you if you are against it.

Listen to this:

My countrymen, we have agreed to this treaty because we believe that it is in the best interest of the country. This treaty is not about military bases. It deals with our total relationship with another country, one that has been a long-time friend of the Philippines, an ally in the truest sense of the world.

Rubbish. Any child of school age knows this treaty is about military bases. The debate has been and is about the bases. The many snags that marked the 15 months of negotiations between the Philippine and U.S. panels were all about the bases—how long will they stay and how much will the U.S. pay the Philippines? True enough, there is an attempt to throw in some pieties about economic, scientific, technological, cultural, educational, health, and security cooperation, but these are short motherhood statements that fail to rise to the same stature as the central article on the bases.

Total relationship, my foot! This ought to be the desired goal of any sensible person wishing to see better and broader ties between the Philippines and the United States. But this is not what the Manglapus and the Armitage panels negotiated. They danced around it. What they negotiated was a bases agreement, but they tried to cover it with a man-made mirage so that the opponents and critics of the bases would be deceived, if they could at all be deceived. But they are undeceived. And the treaty does not make them feel the former colony is finally being treated as a real *ally*, but still as an *alalay* (vassal) of the U.S.

I need your support in this. It is normal that the Senate whose duty is to judge whether this treaty should be ratified or abrogated will have to look deep in their hearts for where their duty to their country lies. This is the Senate's work and only our senators will decide on this. I hope that with the help of the Filipino people, they will see that a ratification of the treaty is more advantageous.

More rubbish. The Senate does not have to be reminded of its duty, especially when it has shown so much zeal in wanting to discharge it. But just to make sure the President is using the right word to say the right thing, the duty of the Senate—the thing it is called upon to do—is to *concur* in the treaty or to *reject* it. The treaty will be ratified if the Senate concurs in it by a vote of at least two-thirds (16 out of 23), otherwise it will be rejected. It cannot *abrogate* the treaty, as the President thinkgs it can, because only a treaty that is already in force can be *abrogated*. *Abortion* although we don't recommend the word, is perhaps more like it.

With the signing of this treaty, we can expect that there will be even more discussions on the provisions, not only in the Senate but throughout our society. For our part, we hope to discuss this with the Council of State, hoping that we will profit from the advice of our statesmen.

Too late. It's like planning the war after you've lost it. Mrs Aquino should have taken a stand on the issue when she was still in a position to influence others. She should have consulted with her statesmen before she began negotiations with the U.S. In fact, she should have invited the opposition to join her in forging a bipartisan position on the issue before negotiations started.

Before I end, let me discuss a particular personal point. In 1985, as part of the Convenor Group that was fighting the Marcos dictatorship, I was among the leaders who signed a document that promised that we would work for the removal of American troops and base facilities.

Clearly, the reason for this then was that the Military Bases Agreement was being used by the dictator to oppress us. The perception was that since the U.S. needed these facilities, it was being black-mailed to support the dictator.

But times have changed. The situation in the country is not what it was before. When I signed that document with the Convenor Group, I was also onyl a private individual responsible only for myself and for my children. The perspective is markedly different for a president responsible not only for the Philippines of today but also for the future.

Here, you catch your breath and delete your expletives. First of all, the President forgets, the correct date of the document is December 1984, not 1985. She thought the bases agreement was being used to support Marcos, so it should be terminated; now, the treaty will at least allow her to stay in office until June 30, 1992, so it should be ratified.

If she says now that she signed the anti-bases document because she was then only a housewife responsible only for herself and her children, then she is saying that she never understood the meaning of citizenship—the fact that every citizen has a duty to country, not just to family and self. And she is saying that every private individual, not being president, has a duty to oppose the bases.

We have put together a truly unique historical document, one that the two nations can be truly proud of.

Rubbish to end all rubbish. That the document is unique, yes. For there is nothing in the world like it. But it's an embarrassment, nothing to be proud of, even for those who are convinced of the necessity of the bases. Even if the principle behind it can be defended, it is a badly done document, unworthy of the pretensions and protestations of this government.

If you want to be blunt and straightforward, you may have to use a four-letter word to describe it. If you want to be polite, you will have to write the same word in asterisks. We are more patient and polite, so we say with regret that Mrs. Aquino's inept and incompetent defense of the treaty magnifies all its faults and blurs whatever residual merit it may have. She may have sealed its fate.

Editorial Attacks Agreement

HK3008113891 Manila PHILIPPINE DAILY INQUIRER in English 30 Aug 91 p 4

[Editorial: "The Treaty Of Surrender"]

[Text] The signing of the new base agreement has finally exposed the full details of the fire sale conducted by Foreign Secretary Raul Manglapus. Done in the shadow of the ash clouds spewed out by Mt. Pinatubo, the pact formalized the administration's panicky surrender of national dignity and interest. And its terms completely shatter any illusions that for once the Philippines would get a square deal from the United States.

Before the text of the treaty was made public last Tuesday, all that was known about it was that U.S. military forces would be allowed to use Subic Naval Base for 10 more years after the current agreement expires on September 16 and that the U.S. would pay for the privilege $360 million in the first year and $203 million in each of the succeeding years. There were also vague references to an economic package worth hundreds of millions of dollars a year.

As it is written, however, the treaty contains no foolproof guarantee of payment of any kind. It merely commits the administration of President Bush to ask the U.S. Congress to appropriate the specified amounts and to discuss with Philippine officials other forms of economic assistance and trade concessions, like wider access to the U.S. market and higher quotas for Philippine exports.

So where's the beef? Manglapus lost it in his haste to keep U.S. troops from abandoning the bases as Pinatubo erupted. Perhaps, he honestly thought he was putting one over his wily opposite in the U.S. panel, Richard Armitage because Pinatubo might make even Subic useless. Perhaps, he placed his faith in the infinite benevolence of American officials who had vowed not to take advantage of the disasters to get maximum concessions at minimum cost. But the treaty clearly shows that the U.S. got the bases for a song.

With a wide area of Central Luzon lying in ruins, with almost half a million workers deprived of their livelihood, including some 30,000 employed at Clark Air Base, Manglapus was expected to demand or beg for a higher compensation. Instead, he accepted a quarter of the original Philippine demand for $825 million in yearly compensation. To sweeten the pot and make it more palatable to the Senate and the people, U.S. and Philippine negotiators also threw in pledges [preceding world published in boldface] of trade and other economic concessions.

This is the kind of treaty President Aquino, Manglapus, the military and other administration officials are asking the Senate to ratify. And they warn that without it, the economy would collapse, the Armed Forces would be inutile and our neighbors would compete with homegrown rebels of every stripe to grab a piece of the national territory.

But if there is any truth to this shameless admission of total dependence on U.S. largesse, then why don't we simply close shop? If we can't stand on our own, we are not worthy of nationhood.

Probase advocates say the treaty is needed for national survival. But if the bases are vital to a nation's economic health, we should now be far ahead of the Asian dragons, whose economies are booming and whose people are enjoying the fruits of progress. If the bases are the key to modernizing the Armed Forces, we should by now be an Asian power.

It is precisely because we have hosted the bases for 44 years that we remain dependent on the U.S. for our defense and economic well-being. We dread to face the future without U.S. troops because we believe they should stay forever. Ten more years of dependence won't make us stronger or bolder. It's time we tried to survive and develop on our own wit and resources.

Enrile Urges Review of One-China Policy

HK2708142591 Quezon City MALAYA in English 27 Aug 91 p 3

[Text] President Aquino should formally rescind the fisheries agreement with Taiwan and her executive order giving foreign fishing vessels the right of unrestricted passage through Philippine waters, Sen Juan Ponce Enrile (NP) [Nacionalista Party] said yesterday.

In a privilege speech, Enrile also urged the Cabinet and the Senate to review the government's One-China policy and see how China could be convinced to agree to a strengthening of economic, cultural and technical cooperation between the Philippines and Taiwan.

Although Malacanang has disowned the agreement as nothing more than a "record of discussions" amid a strong protest by Beijing, Enrile noted that Taiwan still insists that the agreement remains binding.

He said this "monumental blunder" in which the administration "has managed to make three enemies at once—China, Taiwan and the Filipino people—is not only a violation of the 1975 joint communique between Manila and Beijing which recognized the mainland government as the sole legal government of China, but could also have been avoided if the palace consulted with the Senate.

In giving Taiwanese fleets free and immune passage through Philippine waters, Enrile said, Taiwan may soon claim that Mindanao Sea and Sulu Sea are traditional fishing grounds for Taiwanese fishermen to the detriment of Filipino fishermen.

"It is an undeserved insult to our people," he said, noting that the Constitution mandates the protection of subsistence fishermen in offshore fishing grounds against foreign intrusion.

Thai Princess Arrives for One-Week Visit

HK2708133891 Quezon City Radyo ng Bayan in Tagalog 1000 GMT 27 Aug 91

[Text] Princess Maha Chakri Sirindhorn of Thailand arrived for a one-week visit. She was met at the Ninoy Aquino International Airport by Foreign Affairs Secretary Raul Manglapus. Princess Maha will be the recipient of this year's Ramon Magsaysay Award for public service. She will also visit an evacuation center for those affected by the Mount Pinatubo eruption.

House Abandons Parliamentary Government Proposal

HK3008123291 Quezon City MALAYA in English 30 Aug 91 pp 1, 8

[By Didi Doloricon]

[Text] The House of Representatives has abandoned a proposal to shift to a parliamentary form of government after the Senate remained cool to the convening of the constituent assembly, Speaker Ramon Mitra Jr. said yesterday.

Mitra told the Makati Business Club there seems to be no hope for Congress to convene itself into a constituent assembly that would amend the Constitution to bring about a parliamentary form of government.

"There is no chance, none at all. For a while, I thought we could agree with the Senate but recently we gave up," he said.

Mitra announced the decision days after House leaders claimed that the proposal was gaining ground in the Senate.

Speaker Pro Tempore Antonio Cuenco had identified Senate Majority Floor Leader Teofisto Guingona as among the senators who had agreed to the proposal.

Mitra himself had even discussed the French model that the House wanted to adopt which provides also for the election of a president.

Mitra said some senators were apprehensive that a convening of the constituent assembly may lead to the mangling of the Constitution.

The proposal was introduced by Rep. Hermogenes Concepcion (LDP. [Struggle of Filipino Democrats] Nueva Ecija) in 1989 who explained that the adoption of a parliamentary system would solve the problem posed by the 1992 synchronized elections where more than 50 positions are to be voted upon.

Former Agrarian Reform Secretary Miriam Defensor Santiago, a presidential contender, said that if Congress insists on adopting the parliamentary form of government, members of the present Congress should inhibit themselves from running for Parliament in the May 1992 elections.

"People strongly suspect that certain Congress members advocate parliamentary government because it would ensure their continued stay in power. Hence, out of delicadeza all members of the present Congress should inhibit themselves from running for Parliament," she said.

Former Defense Secretary Fidel Ramos, who is seeking the LDP's nod as presidential bet along with Mitra, also rejected the proposal to amend the Constitution before next year's elections.

Ramos said: "We must not rush into constitutional revisions. Changes in the charter are very serious national concerns that must be studied extra carefully. We must sincerely consult our people directly. This is their Constitution, above all."

Ramos Wins Publishers' Presidential Straw Vote

HK2808093591 Manila MANILA BULLETIN in English 28 Aug 91 p 15

[Text] The majority of national and provincial newspaper and magazine publishers attending the national convention of the Publishers Association of the Philippines, Inc. (PAPI) last Saturday, Aug. 24, voted for former defense secretary Fidel V. Ramos in a straw vote president in 1992.

Ramos won 52 percent of the votes cast by the members in the mock polls held at the close of the association's three-day convention.

In the survey, Ramos garnered 53 votes of 121 votes cast, topping a field of nine political personalities aspiring for the presidency.

Muriel "Wing" Sto. Domingo, PAPI president, said the results of the straw balloting were interesting because the publishers who attended PAPI's 17th annual affair came from all over the country and represented diverse political perspectives and affiliations.

Aside from Ramos, the "presidentiables" inluded in the PAPI straw vote were Sen. Juan Ponce Enrile, Vice President Salvador Laurel, Speaker Ramon Mitra, former executive secretary Oscar Orbos, Senate President Jovito Salonga, and former immigration commissioner Miriam Defensor Santiago.

The second and third strongest presidential contenders chosen by the publishers were Orbos and Enrile who received 15 and 13 votes, respectively.

Vice President Laurel, one of the convention's keynote speakers, placed fourth with 11 votes. Santiago, who like Orbos did not address the PAPI affair, garnered the fifth slot with nine votes.

Speaker Mitra, a contender in the LDP nomination, received four votes. Estrada and Salonga, both major contenders in their own parties, had two votes and one vote, respectively.

Aquino Gives Support to Armed Forces Chief

HK2608115991 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 1100 GMT 26 Aug 91

[Text] President Corazon Aquino gave her unquestionable support to the Armed Forces chief of staff, General Lisandro Abadia, to expedite the surrender of renegade Colonel Gringo Honasan and other officials of the RAM [Revolutionary Nationalist Alliance]. This is in connection with a statement by Abadia that he personally spoke to Honasan two weeks ago. The talk was the first one-on-one meeting between Abadia and Honasan. Abadia, however, did not disclose the details of the talks. According to President Aquino, she knew of the move by Abadia and will continue to support him.

De Villa Doubts Abadia-Honasan Meeting Held

HK2808055591 Manila MANILA BULLETIN in English 28 Aug 91 p 8

[By Aris Reyes Ilagan]

[Text] Defense Secretary Renato De Villa denied yesterday reports that rebel military officer Gregorio Honasan and Armed Forces chief of Staff Gen. Lisandro Abadia had a one-on-one meeting in an effort to end the five-year ultra rightist problem in the country.

"I doubt that it (meeting) happened at all. I would have known about it," de Villa told defense reporters in an interview at Camp Aguinaldo.

However, de Villa stressed that President Aquino could have only been misquoted in confirming the reported meeting between Honasan and Abadia on board a chartered plane that hovered south of Metro Manila some two weeks ago.

"On this regard, I think that I understood from the President's statement is to the effect that he knows [as published] that there is contact between Honasan and Abadia," the defense chief said.

"But I don't think that he confirmed that they met each other aboard the plane," he added.

De Villa said that developments regarding the peace efforts of the government with the rebel soldiers are all reported to him by Abadia.

"But Gen. Abadia has not reported to me about this and all I know is that they are working towards a meeting and I believe that this has not occurred yet," he added.

Other ranking officials of the AFP [Armed Forces of the Philippines] also denied the reported meeting between Honasan and Abadia, saying that the peace initiatives are still on the "exploratory process."

Military To Form 73 Reservist Battalions

HK2708144791 Manila BUSINESS WORLD in English 27 Aug 91 p 10

[By Ma Caridad, S. Bautista]

[Text] The Armed Forces of the Philippines [AFP] will form 73 "ready battalions" of military reservists this year as it prepares to lay the groundwork for a citizens army in support of a much leaner military geared toward external defense.

Brig Gen Jose Hinlo, AFP deputy chief of staff for reservist and retiree affairs, said the mobilization is part of a long-term plan to scale down the size of the AFP standing army.

Instead, he said, the AFP will rely on a large but well-trained reserve force that can be mobilized for war and other emergencies.

Laying Groundwork

Although the plan should take effect after the insurgency threat has been neutralized and the AFP had shifted into external defense mode, the military is already laying the groundwork a citizen army, officials said.

Gen Hinlo said the formation of at least one "ready reserve battalion" in each province is mandated by Republic Act 7077 recently signed by the President.

The new law is expected to affect more than one million Filipinos between the ages of 18 and 34, most of whom are graduates of the Reserve Officers Training Course (ROTC).

Gen Hinlo added that the formation of the ready battalions will require the establishment of an AFP Reserve Command to manage such a large number of persons.

Army Reveals Communist-Influenced Barangays

HK2608112991 Davao City THE MINDANAO DAILY MIRROR in English 22 Aug 91 pp 1, 17

[Text] A ranking official of the Philippine Army assigned to command one of the battalions in Davao del Norte yesterday said there are only two remaining barangays under the influence of the communists in his area of jurisdiction.

Maj Rogelio Pantallano, commanding officer of the 64th infantry battalion based in Asuncion, Davao del Norte made this revelation during his courtesy call on Mayor Rodrigo Duterte of Davao City together with another official of the Philippine Navy yesterday morning.

The navy official is George Necisito, Commander of Navy boat BRP Sultan Kudarat which is headquartered in the port of Davao City.

According to Major Pantallano the two barangays under his jurisdiction which are considered "Red areas" are barangay Kidawa of San Vicente some 50 kilometers from the poblacio and barangay New Cortes in New Corella.

He said that these are the remaining hot spots where the military is now working on how to penetrate.

However, Major Pantallano said, of the two New Cortes is slowly being softened up by the military.

Pantallano assumed command of the 64th infantry battalion only very recently.

On the other hand, Commander Necisito of BRP Sultan Kudarat said that his boat is having the coastal areas of the entire Southern Mindanao as its jurisdiction.

He said his boat is constantly patrolling the area aided by a radar which it used in detecting moving object at sea.

The two officials briefed the mayor of the status of their own units' effort to maintain peace and order in the region.

Rebels Kill Barangay Captain in Davao Oriental

HK2608114391 Davao City THE MINDANAO DAILY MIRROR in English 20 Aug 91 pp 1, 17

[By Jun Baring]

[Text] A barangay captain in Davao Oriental was killed by a group of 50 heavily-armed New People's Army rebels at 5:30 p.m. Monday, it was reported by the Information Center of PNP [Philippine National Police] regional headquarters yesterday.

Killed was one Olfiano Montero, barangay captain of Mahayag, Banay-banay, Davao Oriental. He sustained multiple gunshot wounds and died on the spot.

According to the report the victim was inside his residence when the rebels led by a certain Condrado Iridia, alias Goddie Strafed his house.

The residents in the area immediately reported the incident to the Army/Cafgus base under the 25th Infantry Battalion stationed in Panikian, Banay-banay.

The government forces immediately reinforced and intercepted the rebels at the victinity of Panikian cemetery.

The soldiers led by Sgt Cesar Oliquino engaged the rebels in a 30-minute fire-fight.

In the running gunbattle, one member of the Cafgu identified as Oswaldo Tabegue was killed. Three others, Leonardo Zamora, Ceriaco Enero and Romero Arado were wounded. Another one, Manuel Plenios, was reproted missing.

Scores were also reported killed on the enemy side, the report disclosed.

NPA Ambushes Contingent in North Cotabato

HK2608111891 Davao City PEOPLE'S DAILY FORUM in English 21 Aug 91 pp 1, 14

[By Bobong Calamba]

[Text] Cotabato City—Three soldiers from the Phil Army 27th Infantry Batallion and one CAFGU [Civilian Armed Forces Geographical Unit] trooper were confirmed dead when about two hundred New People's Army (NPA) rebels ambushed a government contingent where the four victims belonged at about 1:00 in the afternoon last Sunday at Barangay Calayan, Tulunan, North Cotabato.

During the same ambush, another CAFGU member, one Field Force personnel and two civilians which included a pregnant woman sustained wounds from NPA fire.

Maj Roberto Bayuna, commander of the 27th IB [Infantry Battalion], said that he had already received reports that his men were way-laid by the rebels. The identities of all the victims, however, could not be availed.

Initial reports gathered indicated that the government contingent and the two civilians were negotiating a crossing at barangay Calayan when the communist rebels opened fire. The NPAs were armed with high powered weapons and was believed led by a certain commander Bebeth.

Reports also said that the government contingent was able to return fire. The exchange, it was learned, lasted for almost one hour.

A reinforcement team reportedly anived at the scene but were not able to chance anyone from the NPA ambushers. A pursuit operations was subsequently launched, it was also learned.

NPA Rebels Promise To Support City Projects

HK2908073391 Davao City THE MINDANAO MIRROR BULLETIN in English 23 Aug 91 pp 1, 17

[By Leo Villareal]

[Text] Paquibato deputy mayor Teresita Alonzo said the other day that the New People's Army (NPA) rebels promised to support the projects of the city government in the area.

Alonzo said NPA leader Kumander [Commander] Parago whose forces operate in Paquibato and nearby areas promised that they would cooperate with her in the implementation of projects intending to benefit the people in the area.

She said she was able to talk with the rebel leader during the negotiation for the release of the team leader of the Civilian Armed Force Geographical Unit (CAFGU) in Paquibato who was earlier kidnapped by the NPAs. The CAFGU was released the other day after weeks of negotiation.

Alonzo said she is not concerned with the conflict between the military and the NPAs as far as the government projects in the area are concerned. She said her work is to see to it that the government can render assistance to the people through projects and other activities.

She, however, clarified that she does not side with the NPAs in their war with the military. She said she just approached them to get their support and thus assure the unhampered implementation of the projects put up by the government.

The deputy mayor said Parago vowed they would not do anything that could harm the people in the area, and that it includes projects set up by the city.

Alonzao facilitated the release of the CAFGU who was abducted by the NPAs since July 2 this year.

She said the release would have taken place earlier. However, because of the military operation conducted by the government troops, it was delayed.

Alonzo said the CAFGU leader was turned over to her the other day in good physical condition.

A government doctor accompanied Alonzo in getting the CAFGU.

Local Communists Unaffected by Moscow Events

HK2608115591 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 1100 GMT 26 Aug 91

[Text] The fall of the Communist Party of the Soviet Union will not affect the communist movement in the Philippines. This was learned by the Radio Patrol from former Secretary General Satur Ocampo of the National Democratic Front. Ocampo clarified that the local communist movement in the country is separate from that in Russia and has its own ideologies and policies. The movement was born out of the developments in the Philippines which were far different from the Soviet Union's history.

Meanwhile, Senior Superintendent Reynaldo Wycoco, spokesman of the Philippine National Police, stated that the fall of the communist party in Russia will weaken the morale of the cadres of the Communist Party of the Philippines-New People's Army in the Philippines. This, he said, only shows that communism is not the perfect answer to the problems of the country because the ideology has already died. Wycoco added that this is due to the many flaws in the system and in the implementation of the ideology. According to him, there is a great possibility that the foreign aid for the local communist movement will decrease due to Europe's continuous advancement toward reform and democracy.

Communist Jailbreak Plan Tightens Security

HK2608133891 Quezon City Radyo ng Bayan in Tagalog 1000 GMT 26 Aug 91

[Text] Police authorities are now enforcing tighter security at the Camp Crame detention center. This was the order of Philippine National Police Director General Cesar Nazareno following the discovery of a mass jailbreak plan by the communist leaders detained in Camp Crame. Twenty-one rebel leaders are detained in the center. Nazareno said that in an inspection carried out on the cells of the detained leaders, authorities discovered diskettes containing information on their escape plan. From the information, the mass jailbreak was to be carried out by the detained before the current month ends.

Police Chief Orders Units 'To Crush' Rebels

HK2908062891 Manila MANILA BULLETIN in English 29 Aug 91 pp 1, 13

[By Owen Masaganda]

[Text] Director General Cesar P. Nazareno, Philippine National Police (PNP) chief, ordered yesterday all units, including the Criminal Investigation Service and the Highway Patrol Command, to crush the Communist Party of the Philippines (CPP) and its military arm, the New People's Army (NPA).

Meanwhile, Speaker Ramon V. Mitra Jr. has expressed full support to the Armed Forces of the Philippines (AFP) in its fight against communist insurgency.

Nazareno gave the order during the PNP command conference at Camp Crame, Quezon City, with Interior and Local Government Secretary Luis Santos and Undersecretary Ramon E. Montano, former PC-INP [Philippine Constabulary-Integrated National Police] chief.

He said the plan of Soviet President Mikhail Gorbachev to resign as the Communist Party general secretary is a good indication that the local communists are weakening fast.

He added the capture of many top CPP-NPA leaders by PNP agents operatives has also weakened the communists.

Nazareno said the CPP is now looking for new leaders for the movement.

Among those in the conference were Director Marino Filart, Capitol Command chief; Chief Superintendents Juanito Aquias, Agerico Kagaoan, Pantaleon Dumlao Jr., Evaristo G. Carino, Miguel F. Fontanilla, Pedro Sistoza, Triumpo Agustin, Vicente Garcia, and Roger Deinla; Senior Supt. Arman Agbayani; Chief Superintendents Manuel Salimbangon and Rogelio Martin; Senior Supt. Manuel Lopez of the Cordillera Regional Command, and Chief Supt. Wilfredo Cruz of the Autonomous Region Muslim Mindanao.

Director Manuel Flores, PNP director for intelligence, briefed the officers on the peace and order situation in all regions and said that in due time, the CPP-NPA will collapse.

IMF Warns About Liquidity, Exchange Rate

HK3008113091 Manila BUSINESS WORLD in English 30 Aug 91 pp 1, 7

[By Ma Gertrudes M. Chavez]

[Text] The International Monetary Fund (IMF) has reportedly called Government's attention to two current monetary concerns—excess liquidity and the exchange rate, informed sources in Government told BUSINESS WORLD.

The IMF's concern was relayed to Philippine monetary authorities during their meeting last week in Washington. "The Fund is primarily concerned with Government meeting monetary targets under the economic stabilization program. Of several monetary aggregates, liquidity and the peso dollar rate may be off-track," the government source pointed out.

BUSINESS WORLD checked with Acting Central Bank [CB] Governor Gabriel Singson, Jr, on the veracity of the information. The CB official, who is in constant touch with CB Governor Jose L. Cuisia Jr, neither confirmed nor denied the information. Mr Cuisia is set to arrive this weekend after marathon talks with foreign commercial banks and the IMF.

There is need, the IMF reportedly said, to check the expansion in money supply because this could impact heavily on the inflation rate. Last July, inflation averaged 18.4%. Government's target this year is to bring down inflation rate to 12% by yearend.

CB economists are saying Government may have a touch time meeting this target because until now the CB has not been able to totally mop up excess liquidity in the financial system. CB data show that reserve money as of August 21 stood at P [Philippine pesos] 114.6 billion, still up P3.4 billion from the end-June level of P111.2 billion.

Currency issued as of the period totalled P61.2 billion while commercial bank deposits with the CB amounted to P53.7 billion. These figures represented increments from the June levels—P60.7 billion for currency issued and P50.8 billion for commercial bank deposits with the CB.

The expansion in money supply has exerted pressure on the CB to step up the issuance of open market instruments. For instance as of August 19, the CB increased to P2 billion the sales of its overnight CB bills and reverse repurchase instruments.

The increase, however, triggered a rise in interest rates because the CB effectively competed with the private sector for funds. Realizing how precarious the situation is for the business community with the prospect of higher interst rates, the CB said it would lower the yields for its short-term instruments to channel bank bids to the bellwether 91-day Treasury bills [T-bills].

A CB official explained that by having more investors buy the 91- day T-bills, the interest yield for this instrument would consequently go down. In essence, the interest yield for the 91-day T-bills would be set at between 21.5% to 22%, or 3% above inflation rate.

On the other hand, the IMF's concern with the country's exchange rate stemmed mainly from the growing loss of competitiveness of Philippine exports in the international market. The financial system is currently awash with dollars in view of a slack in importations.

While the IMF has advocated a market-oriented exchange rate, it has also emphasized the need for more exports to boost foreign exchange earnings, he explained. In addition, the official said the exchange rate must be correlated with exports in order to determine the true value of the peso, a method employed by the IMF.

He further noted that the country's exchange rate is adjusted to preserve the competitiveness of its goods when increases in home prices outpay that of a major trading partner.

Private economists believe that to narrow down the country's trade deficit, the country will be more comfortable with a much weaker currency, perhaps as low as P33 to $1.

Exports to Japan Up 12.19 Percent to June

HK2708143991 Manila THE CHRONICLE in English 27 Aug 91 p 2

[Text] Philippine exports to Japan, one of the country's major trading partners, went up by 12.19% for the first half of the year to $853.3 million from $760.6 million in the same period last year.

Figures furnished by the Bureau of Export Trade Promotion (BEPT) show that the value of the top 20 commodities exported to Japan made up 73% of the total exports.

Copper concentrates was the largest export item with $91 million, accounting for nearly 11% of the entire exports to Japan. It was also the biggest export item last year, the BEPT data indicate.

Other commodities in the list include shrimps and prawns ($90.5 million) which was second overall. They are followed by bars and rods ($58.3 million), bananas ($57 million), petroleum naphtha ($49 million), gold contained in copper ores ($35 million) and iron ore agglomerates ($34.5 million).

The export of shrimps and prawns went up substantially by 32% from the previous level of $68.6 million. The same goes with petroleum naphtha which went up by 72%.

Another export commodity in the top 10 whose increase was marked was finished electrical and electronic machinery which rose by 153% to $31 million from last year's $12.3 million.

Thailand

Military Cooperation With U.S. Continues

BK2908101391 Bangkok MATICHON in Thai 27 Aug 91 p 21

[Text] Assistant Army Commander in Chief General Chatchom Kanlong granted an interview to newsmen at the Army meeting hall on 26 August after his meeting with a high-level U.S. Army officer in charge of security. He said that Thai-U.S. cooperation in terms of logistics and sale of U.S. weapons continues despite the existence of the National Peace Keeping Council. He said that a battalion of 53 M-60 tanks worth almost one billion baht will arrive in September. They will be commissioned for use by units in the provinces.

Protest Against U.S. Rice Sale to Congo, Yemen

BK2908095991 Bangkok BANGKOK POST in English 27 Aug 91 p 26

[Text] The Foreign Trade Department [FTD] has strongly protested the United States' decision to sell more than US$7 million worth of low-grade rice to South Yemen and Congo under the PL 480 programme.

The FTD, on instructions from Commerce Minister Amaret Sila-on, had for the third time this year called on Washington to review its rice policy and to end its export subsidy programme.

Under the latest deal, the US would provide 30-year long-term credit to three African countries—South Yemen, Congo and Sierra Leone—worth more than $10 million at only 4 percent interest.

The FTD sent a protest letter to the US Embassy in Bangkok on August 16, urging the US to stop its rice sales to South Yemen and Congo, which traditionally were Thai rice export markets.

"It was an apparent attempt by the US Government to capture the market shares of Thai rice in the world market," the FTD statement read.

The US decision also would damage world rice export prices by distorting the real cost of production, and create a price war between exporting countries.

According to the FTD report, Washington recently agreed to sell 14,000 tons of rice, worth about $5 million, to South Yemen and 6,300 tons of rice, worth $2 million, to Congo.

In the past, the two countries had bought rice from Thailand to fill more than half its demand, especially South Yemen, which had imported 40,000-50,000 tons a year. Congo imported about 10,000 tons a year.

The US rice sale to Sierra Leone was unlikely to affect Thai exports, because in the past few years the country had stopped buying Thai rice.

Thailand earlier this year protested the US' attempts to sell rice to the Philippines and Senegal under the PL 480 programme.

Cabinet Approves Soviet Air Service Agreement

BK2908032491 Bangkok Radio Thailand Network in English 0000 GMT 29 Aug 91

[Text] The Cabinet [in its meeting on 27 August] has approved the air service agreement between the Kingdom of Thailand and the Union of Soviet Socialist Republics.

The agreement was concluded on 20 June of this year. Under the agreement, the airlines of Thailand and the Soviet Union will be permitted to increase their weekly frequencies for passengers and cargo flights from four to five.

The agreement also increases one more weekly frequency, particularly for cargo flights for Moscow-Bangkok and Bangkok-Moscow.

It is expected that the new air service agreement will help promote civil air service and strengthen friendly relations between the two countries.

Burma Said Using Buddhism as Political Tool

BK2908014991 Bangkok THE NATION in English 29 Aug 91 p A2

[Text] The offer made by Burma's military junta to present a religious honour to Thailand's supreme patriarch was aimed at breaking the international ostracism for its dismal human rights record, a non-government organization said.

Kothom Araya, president of the Civil Liberty Union, said yesterday that Rangoon's move was politically-motived because the idea had been initiated by one of Burma's Cabinet ministers—not the country's religious leaders.

"What would the opposition in Burma think if the supreme patriarch agreed to accept the honour?" Kothom asked.

The leader also accused the Thai Government of adopting a double standard in allowing a Burmese Cabinet minister to come here to present the honour to Thailand's senior-most monk while barring a visit by the Dalai Lama under pressure from China.

Prime Minister Anan Panyarachun, when asked to comment on the proposed bestowment of honour, said he had yet to hear from Foreign Minister Asa Sarasin on how to handle the issue.

On Tuesday, senior Thai Government and military officials insisted that there was nothing wrong with the supreme patriarch receiving the Adhidhaja Maha Ratha Guru title, Burma's highest religious title.

Army Commander in Chief Gen Suchinda told reporters it was difficult for Thailand to reject the Burmese offer.

"When somebody wants to give us something, it's hard to reject," he said.

When asked to comment on the SLORC [State Law and Order Restoration Council], the army chief said: "It's a government, with which we have a relationship."

Asa echoed Suchinda's comment, saying the issue should be considered as purely religious affair.

"Monks cannot be selective and have to accept whatever offered them," the foreign minister said. "Please don't politicize the issue."

Samoe Nakphong, director general of the Religious Affairs Department, said on Monday the Burmese offer "should be welcomed", though he aded that the Sangha

Supreme Council, the highest governing body of Thai Buddhist monks, would meet tomorrow to reconsider the offer.

But Samoe said yesterday that the bestowment should take place tomorrow as planned because the parties concerned had concluded that "there is no political motive" on the Burmese side.

Social, human rights and religious groups signed a petition submitted to Prime Minister Anan early this week, asking the government to reject the offer, which they said did not represent Burma's Buddhist community, but only SLORC.

Mon Buddhist monks in Thailand also asked the Thai Sangha Supreme Council on Sunday to reject the Burmese offer.

In February this year, the Supreme Patriarch, citing ill health, declined a trip to Burma to be awarded the same title. He was among several foreign dignitaries invited to Rangoon to receive Burmese Buddhist awards.

Conferment of Titles Postponed

BK2908091391 Bangkok Radio Thailand Network in Thai 0530 GMT 29 Aug 91

[Text] Samoe Nakphong, director general of the Religious Affairs Department, announced that the Burmese Government's conferment of the Abhidajja Maharata Guru honorary religious title to the Thai supreme patriarch and other honorary titles to nine senior Thai monks, who are members of the Thai Ecclesiastical Council, was originally scheduled to take place on 30 August 1991 at the Buddhist temple of Wat Bowon Niwet in Bangkok.

Due to some problems, this conferment has been postponed until some other date, concluded the Thai authority.

Burmese React to Cancellation of Minister's Trip

BK2908013191 Bangkok THE NATION in English 29 Aug 91 p B1

[Text] The Burmese authorities have responded cooly to a proposal that would increase the Thai fishing fleet, currently operating in its waters, because Agriculture Minister Anat Aphaphirom's trip to Burma was cancelled.

The situation is causing concern among members of the Overseas Fisheries Association, whose representatives will meet Director-General of the Fisheries Department Plotprasop Suratsawadi this week to find a solution, an informed source said.

The source said Burmese officials were under the impression that Thailand was not interested in dealing with them since Anat's August 15 to 17 trip was called off, and hence they were no longer willing to cooperate with Thailand on fishing activities.

Burma has, as a consequence, tightened regulations on Thai activities, and its officials are also cool to the Thai-Myanmar Fisheries (1990) Co's plan to increase its fishing fleet to 165 vessels from the present 122. Earlier, Burma had permitted the firm to operate up to 165 vessels.

The source said the association would brief Plotprasop on the situation facing Thai-Myanmar Fisheries. The firm is a grouping of local fishing and related interests contracted by Burma to operate in their waters.

Military Plans Repatriation of 10,000 Refugees

BK2908032191 Bangkok BANGKOK POST in English 29 Aug 91 p 3

[Text] Kanchanaburi—Military officers of the 9th Infantry Division and district officials in Sangkhla Buri District have told the Mon National Relief Committee (MNRC) to plan for the repatriation of all Mon refugees—more than 10,000—to Burma by April.

A relief committee official in Sangkhla Buri said yesterday that the officials also asked the agency to help bring all 4,000 Mon immigrants, who fled to live with relatives in Thailand, back to refugee camps.

The refugees fled to Thailand after Burmese authorities three years ago began an offensive against the headquarters of the anti-Rangoon New Mon State Party, which adjoins Sangkhla Buri District.

The refugees have been housed in seven camps in Thailand with assistance from Christian relief organisations which supply food and other relief items.

Five of the camps are in Sangkhla Buri District, two are in Thong Pha Phum District with one in Kanchanaburi and another in Prachuap Khiri Khan Province.

The MNRC official said it is possible to persuade the 4,000 refugees who left the camps to return if food is available. The MNRC will tell relief organisations to increase the food ration for these people.

The official, however, said his committee is worried about the future of the refugees if they are repatriated as they risk being jailed, persecuted or killed by the Burmese military.

Article on Policy Toward Vietnam

BK2908030591 Bangkok BANGKOK POST in English 29 Aug 91 p 17

["Final of a two-part series" by Suphaphon Kanwirayothin]

[Text] "Too risky", is the often-heard assessment of Thai businessmen about Vietnam.

"If so, why are some of the world's largest companies and astute Chinese companies from Hong Kong and Taiwan flocking to Vietnam? Why is there over

US$2,000 million worth of foreign investment, unless it's viable?" queried Raymond Eaton, head of the Indochina Subcommittee of the American Chamber of Commerce in Bangkok.

If the Thais moved "quickly and efficiently" to invest in compatible projects that they could handle and extended generous payment terms for trade like the Singaporeans, Bangkok still could consolidate its position as the gateway to Indochina, Mr Eaton believed.

He suggested the Thais look to the investment models of Taiwan and Hong Kong, which were small to medium scale and labour intensive, and "leave the rest for the Japanese and the Americans to fight for."

At a recent seminar on "Trade and Investment Opportunities in Vietnam," Dr Somchai Pakapasvivat, an economist of Thammasat University, urged Thais to seriously consider relocation of production bases to Vietnam to enhance the competitiveness of Thai products in the world market.

"In the next five years, the economic structure of Thailand will certainly undergo changes. Relocating production bases to where costs can be cheaper is essential," he said.

Thailand should seize those trade and investment opportunities at a time when Vietnam was attempting reforms to attract and accommodate foreign investment. Thais should not be discouraged by how slow things were moving for the better in Vietnam, he said.

Inexperienced and more conservative in overseas ventures compared with their Chinese and Japanese counterparts, the Thais who entered Vietnam found themselves swimming in a sea of information, misinformation, disinformation and intertwining bureaucracy.

In times of trouble, there was no-one to turn to for help. There was a vacuum of government backing to encourage them to venture out in such an unconventional place like Vietnam.

Thai investment in Vietnam totalled about US$40 million from 11 companies in 18 by the end of 1990, according to Vietnam's official figures. An analyst predicted that any dramatic rise in this figure was out of the question, considering most Thais still preferred "to test the water," rather than take the plunge.

Slowly, the various Thai Government agencies were moving to create an atmosphere whereby its private sector could emerge more confident and competitive in the Indochina market.

But such coordinated action had not been seriously pursued until after a series of trade disputes that ended either unsettled, or acrimonious at best.

The Board of Investment was finalising a package of incentives for Thai investors seeking opportunities in Vietnam, Cambodia, Laos and Indonesia. The offer came forth through the realisation that Thais should now be mature enough to explore opportunities outside the country.

Also over a period of two years, a few Thai firms attempted but failed in the barter trade experiment with Vietnam.

Thai companies did not have the sophisticated, diversified structure which dealt with a wide range of products fitting barter trade, the way major Japanese companies were doing.

Without the mechanism such as export-import banks to offer generous payment terms, and without a system of shipment inspection, several Thais, including a few respectable companies with substantive financial strings, had been burnt dealing with Vietnam.

For example, a consortium of Thai rice trading companies secured a rice-for-timber barter deal with Vietnam. But the timber did not arrive as scheduled even after a few months of delay, without explanation. In the end, the consortium had to compensate the Thai client who already pledged to buy the shipment which never arrived.

According to a reliable trade source in Ho Chin Minh City, early this year another group of Thai traders fell prey to a swindling scheme involving a six-million-baht timber deal in which the Vietnamese stuffed low-grade timber among the 600 cubic metres of higher-grade goods required under the deal. Another instance involved a plastic pellet deal, the quality of which also fell far below the agreed specification.

In 1990, Thailand exported goods worth 466,808,000 baht to Vietnam, with the main items being sugar, chemicals and plastic products, television and radio sets and parts, and pharmaceutical products. Over the same period, Thailand imported 2,400 million baht worth of goods, mostly paper pulps, steels, metal scraps, mineral resources, marine resources and leather.

In a nutshell, the Thais had been interested in the market prospects in Vietnam but were not confident as the Thai Government had only given half-hearted support, contrary to the political leader's blessing.

In a positive development, however, the Foreign Ministry was planning to conclude at least three agreements that would bring economic activities into some sort of formal but loose arrangements.

When Foreign Minister Asa Sarasin went to Vietnam in September, he would officiate the formation of a Joint Commission which would oversee the economic relations and become a forum to address and resolve problems.

Another crucial pact in store was an agreement for investment protection and promotion, which would serve as "psychological support" to embolden the Thais.

The most timely and significant pact expected to be completed by the time of the Foreign Minister's visit was an umbrella agreement for fisheries, which did not come forth until 846 fishermen from 48 trawlers were seized and arrested for illegal fishing in Vietnamese waters.

Although those formal agreements would represent positive steps taken by the Thai Government to activate its private-sector penetration of Vietnam, one major issue remained—a Thai Government representative office in southern Vietnam, the real centre of economic activities.

Asked how the Government could help facilitate activities in Vietnam, Thai businessmen and investors established in Ho Chi Minh City identified a consulate office as the most urgent need.

In 1990, 150 official and unofficial trade delegations visited Ho Chi Minh City, which was more than 1,000 kilometres away from Hanoi where the Thai Embassy was located.

The south of Vietnam also was where Thais were most active. The island of Phu Quoc had received a large number of Thais who frequently shuttled from Trat province to buy fish and marine products. Kien Giang was by far the only province in Vietnam that accepted Thai baht as trading currency. Another main centre of marine resource trade was Minh Hai, whose People's Committee also held forestry concessions.

The Thai Government needed, for all practical reasons, to be present in the south in one form or another. The consulate general was most desirable, the second best option could be a liason office of the Thai Embassy in Ho Chi Minh City.

The job description of such an office would cover advancing economic interests of Thailand, monitoring the market and investment climate, establishing contacts and protecting Thai citizens.

The first three elements constituted a major task as the Thais had identified "regionalism" in Vietnam as one of the risk factors that made them hesitant. Regionalism meant whatever business deal one struck with the central government in Hanoi may not necessarily materialise in the areas, particularly in the south where the provincial leadership in the name of people's committee held full autonomy in administering turfs and managing their natural resources.

The vital information on the trade and investment front in Vietnam could then be fed more effectively to the recipient centre in Thailand, so as to provide the Thais with an idea of which direction to head.

The opening of the Thai consulate office in Ho Chi Minh City required the approval of the National Security Council (NSC). But the military, which had an influential voice in the NSC, remained opposed to the idea that Thailand had to reciprocate by allowing Vietnam to open a consulate in the northeastern Udon Thani Province.

The military already agreed to the principle that the Thai Government should have a consulate in Ho Chi Minh City, in a slight shift from its previous rigid position. Nevertheless, it would prefer Vietnam to set up its consulate elsewhere, not in Udon Thani, home of a large number of long-time Vietnamese refugees from the Dien Bien Phu era.

It was thus still a yellow light for the Thai Government's physical presence in south Vietnam given the Thai military's attitude, which needed to be utterly convinced of the reality that economic interests must outweigh sheer security concerns at the time when Vietnam was preoccupied with its own survival more than subverting other countries.

Once these hurdles were cleared, it was expected Thai entrepreneurs would emerge more confident and forthcoming to join the race for opportunities in the late-blooming Indochina.

Cultural Agreement Signed With Pakistan

BK3008094591 Bangkok Voice of Free Asia in Thai 1030 GMT 29 Aug 91

[Text] According to a report from the Information Department of the Foreign Ministry, Thailand and the Islamic Republic of Pakistan signed a cultural agreement at the Ministry of Culture and Tourism in Islamabad on 28 August. Thai Ambassador to Islamabad Chaloem Achari signed the agreement on behalf of the Thai Government, and the permanent secretary in the Pakistani Ministry of Culture and Tourism, Omar Khan Afridi, signed on behalf of his government. The agreement will serve as a framework for cooperation between the two countries in the fields of education, public health, science, and art. It also reflects the firm determination of both countries to promote friendly relations and good understanding between the governments and peoples of Thailand and Pakistan, which will lead to further development in economic and social cooperation between the two countries.

Committee Named To Examine Draft Constitution

BK2908021791 Bangkok THE NATION in English 29 Aug 91 p A2

[Text] Following are the 25 members of the committee set up to scrutinize the constitution draft in its second reading: Konphot Atsawinwichit, a rice trader and banker.

Dr Komen Phattharaphirom, attorney general.

Lt Gen Chamlaeng U-Chukomon, spokesman of the National Peace Keeping Council.

Maj Gen Chainarong Nunphakdi, First Army Corps commander.

Chatchua Kannasut, managing director of TV Channel 7.

Dr Thinaphan Nakhata, a member of the Constitution Drafting Committee.

Khunying Nanthaka Supraphathanan, a member of the Constitution Drafting Committee.

Patchai Bunnak, acting rector of the University of the Thai Chamber of Commerce.

ACM [Air Chief Marshal] Prachum Chaisiri, assistant Air Force commander in chief.

Vice ADM Prida Karasut, an officer attached to the Navy.
Phichai Watsanasong, a member of the National Assembly.
Phaibun Changrian, a lecturer at National Institute of Development Administration.
Dr Phaibun Limpaphayom, managing director of the Telephone Organization of Thailand.
Phairot Lamsam, chairman of Loxley Bangkok Co Ltd.
Pol Lt Gen Wirot Pao-in, commissioner of the Metropolitan Police Bureau.
Wikit Wiranuwat, who is a doctor.
Wira Pitrachat, governor of the Provincial Electricity Authority.
AVM [Air Vice Marshall] Wiraphong Singhaseni, assistant chief of the Air Staff or logistics.
Gen San Siphen, assistant Army commander in chief.
Sansoen Kraichitti, former chief justice of the Court of Appeals.
Suwan Chunsom, secretary-general of the Office of the National Primary Education Commission.
Suwit Futrakun, governor of the Metropolitan Waterworks Authority.
Dr Uthai Sutsuk, permanent secretary for public health.
Osot Kosin, who was a former senator.
ACM Chaloei Warintharakhom, an officer attached to the Air Force headquarters.

Pro-Military Men To View Draft

BK2908020391 Bangkok THE NATION in English 29 Aug 91 pp A1, A2

[Text] The Armed Forces' pledge of noninterference in the adopting of Thailand's new charter further lost credibility yesterday with the appointment of a pro-military panel to scrutinize the constitution draft after it passed the first reading in the National Assembly.

The controversial draft, which critics say would allow the military to hold on to the political power it seized from the elected Chatchai government in February, sailed unchallenged through its first reading in the military-dominated interim Assembly yesterday.

The assembly voted 252-0 to approve the draft in principle. Assembly President Ukkrit Mongkhonawin and assemblyman Narong Kittikhachon abstained, while the remaining 38 assemblymen were absent.

The 25-member scrutinizing committee set up after the draft was approved includes seven senior military officers and a police official. The rest are three members of the committee that drew up the draft, five businessmen, seven government officials and two academics.

Many of the non-military members are known to be either conservative or sympathetic with the military's political course.

The nominations of the committee members were made by assemblyman Suchat Howatthanakun. They were approved unanimously by the assembly.

The NPKC [National Peace Keeping Council] has repeatedly claimed it would not interfere with the constitution-making process, to be followed by a general election. Interior Minister and NPKC Secretary General Itsaraphong Nunphakdi even said yesterday, shortly before the names were announced, there would be no NPKC men in the scrutinizing committee.

Among the committee's 25 members are NPKC spokesman Chamlaeng U-chukomon, First Army Region Commander Gen San Siphen, Assistant Air Force Chief of Staff AVM [Air Vice Marshal] Wiraphong Sinthaseni, Assistant Air Force Commander in Chief ACM [Air Chief Marshal] Prachum Chaisiri and ACM Chaloei Warintharakhom, an officer attached to the Air Force commander in chief.

Wiraphong and Chaloei were reportedly involved in the seizure of Gen Chatchai Chunhawan's plane at the start of the Feb 23 coup.

"There are only two groups in the (scrutinizing) committee—NPKC men and so-called professional senators," said Chamni Sakset of the Solidarity Party. He clarified that many members of the panel were former conservatives in previous senates.

Chamni warned that if the new charter turned out to be obviously pro-military, "There would be a violent movement to oppose it."

Democrat Party spokesman Chulin Laksanawisit deplored the limited participation of career politicians in the adoption of the country's new charter.

"The NPKC must be held responsible for whatever type of constitution we will have," Chulin said.

The NPKC abolished the previous constitution following the coup. The military council pledged to push for a "more democratic" charter with safeguards against "parliamentary dictatorship", a term it used to discredit the toppled government.

When the NPKC tore up the old charter, it said the country was taking one step backward for the sake of a big leap forward. It promised that the new constitution would be much better than the old one," Chulin said.

Army Commander in Chief and Deputy NPKC Chairman Suchinda Khraprayun yesterday tried to play down the apparent military influence in the scrutinizing committee.

He said most military officers in the committee were not linked with Class Five graduates of the Chunlachomklao Royal Military Academy who are currently the core of the Armed Forces' power.

Prime Minister Anan Panyarachun declined comment.

"The interim Constitution stipulates clearly that the executive branch must not be members of the National Assembly and involved in the adoption of the new charter," Anan said. "Our personal feelings must be kept inside."

The draft's first reading ended after two and a half days of largely dull debates, during which outnumbered opponents of the proposed constitution saw their arguments being muted in the impassive National Assembly.

The constitution draft allows persons who are not elected politicians to become prime minister, seeks greater power for the non-elected Senate, bars elected MP [members of parliament] ministers from performing their parliamentary duties and makes it extremely difficult for the new constitution to be amended.

The draft also bans from elections for life politicians ruled corrupt by a military-formed investigating committee and requires the establishment of the so-called Constitution Committee, which is authorized to investigate election scandals and nominate members of the Senate.

It is generally feared that the NPKC would transfer its power into the Constitution Committee, and later the Senate, after the military council ceases to exist, following the promulgation of the new charter.

Critics said the nine-member Constitution Committee would most likely comprise pro-military figures.

Advocates of the proposed committee have tried to ease concerns that the body would serve as place for the NPKC to exercise its influence. But yesterday's appointment of the scrutinizing committee seems to aggravate the worries.

Proposed amendments to the constitutional draft are to be formally forwarded to the committee within two weeks, after which the panel will begin its task that will last about two months. The draft is to be returned to the National Assembly for final reading in November.

The scrutinizing committee will be headed by Osot Kosin, former senator and a retired official.

Observers said a likely proposed amendment would concern the electoral system. The draft seeks to maintain the existing system, in which voters choose individual candidates, but enlarges constituencies.

Military Hand in Draft Criticized

BK2908035591 Bangkok THE NATION in English 29 Aug 91 p A10

[Editorial: "A Compelling Cause for Thais To Take a Stand On"]

[Text] The National Peace Keeping Council [NPKC] yesterday threw aside any pretence of non-intervention in the drafting of a new constitution. They packed the ad hoc 25-member committee set up to scrutinize the draft constitution with generals and men with close military connections. Evidently they want the scrutinizing committee to rewrite the draft to NPKC specifications.

The seven generals included Gen San Siphen, the assistant Army commander designate, and Lt Gen Chamlaeng U-chukomon, the spokesman for the NPKC. Ironically it was this spokesman who had claimed that the military junta would not interfere, and until Tuesday Interior Minister Gen Itsarapong Nunphakdi, the NPKC secretary-general, was still insisting that the military council would leave the scrutinizing process entirely to the National Assembly.

Strictly speaking, he was correct. An NPKC underling yesterday submitted the list of the 25 assembly members for appointment to the committee. The others in the National Assembly took the cue from him and kept quiet. No one else submitted a different list or had any other nominees. The National Assembly quickly endorsed the list and appointed the 25 to review the draft constitution, which was passed yesterday without any dissenting votes. (Former MP [member of parliament] Col Narong Kittikhachon did vote his abstention to show a mild protest and Assembly President Ukkrit Mongkhonawin abstained out of formality.)

Also on the scrutinizing committee are two key advisers to the NPKC, Phichai Watsanasong and Dr Thinnaphan Nakhata. The latter was also on the Constitutional Drafting Committee, and has close connections to the influential Class Five graduates of the Chunlachomklao Royal Military Academy, led by Army Commander Gen Suchinda Khraprayun. Another Class Five member on the committee is Pol [police] Lt Gen Wirot Pao-in, commissioner of the Metropolitan Police.

The heads of three state enterprises and the three businessmen appointed to the committee will undoubtedly help the NPKC's men form a controlling majority on the committee that can dictate changes at will. Under this circumstance, no meaningful discussion is possible and the committee hardly needs 15 days to finish the review.

The committee might as well produce a revised draft complete with all the additional provisions advocated by the NPKC but left out from the first draft and return it to the National Assembly before the end of this week. The NPKC could ram the revised draft through the National Assembly next week so that the next general election could be held and a new government formed before the end of the year.

Why would the NPKC get directly involved in reshaping the draft constitution if it really intended to "return" government power to the people? Even before the scrutinizing committee was formed, there was strong public scepticism about the NPKC's sincerity. Now it is clear that the NPKC intends to put forth a new constitution of its own design and hold on to government power through constitutional means, such as the powerful Constitution Committee and the Senate, after the next election.

Why the NPKC leaders think they could get away with such a scheme is a mystery. Why they think the Thai people would tolerate such irresponsibility and insincerity is more confounding still.

Unlike the Russians who took to the Moscow streets last week to foil a coup attempt, the Thai people stood on the sidelines and meekly watched the military leaders of the NPKC seize power on Feb 23. The widely accepted explanation for the Thai passivity was that more and more Thais, or at least those thinking ones, were fed up with the corruption in the Chatchai administration and so they swallowed the coup in the hope that it would bring about a more "democratic" system.

The hope has faded as scepticism about the NPKC's sincerity increases. This is a dangerous situation.

Yet the NPKC overlooks it and continues to hold out hope for a "better" political future which its men have been actively building, either secretly through its manipulation of the National Assembly and the constitutional drafting process, or openly through its front in the Samakkhi Tham Party.

If the Thai people had "nothing" to fight for and thus did not oppose the Feb 23 coup, now they have a compelling cause to take a stand for: Vengeance for the dashed hopes of a nation.

Suchinda Denies Military Domination

BK3008004991 Bangkok BANGKOK POST in English 30 Aug 91 p 2

[Text] Army Chief Gen Suchinda Khraprayun yesterday denied allegations from politicans that the constitution scrutiny committee was dominated by military officers and other proxies of the National Peace Keeping Council.

Gen Suchinda, describing the allegation as an "insult" to the 25 committee members, said he did not know any of the members in person.

"How can this (criticism) be considered democratic when the allegation is made because people do not share the same view as the critics?" he asked.

The Army commander-in-chief said the military representation on the committee was proportional to the commitee was proportional to the other groups in the National Legislative Assembly [NLA].

"Aren't these soldiers Thai citizens? All the officers appointed as committee members are well-educated and are holders of either bachelor or master's degrees," he asked.

Deputy Defence Minister Gen Wimon Wongwanit defended the constitution against criticisms it amounted to only a quarter of full democracy. He said the critics should read the charter in detail before commenting.

Gen Wimon insisted the Constitution Committee was set up simply to ensure the elections were honestly and fairly contested. The panel has no power in itself and the power to rule against MPs [members of parliament] rests with the Constitution Tribunal, he said.

The Constitution Committee can only investigate alleged electoral malpractices or vote-buying, and present its findings to the tribunal for a final ruling.

NLA President Dr. Ukrit Mongkhonnawin said yesterday a press summary of deliberations was preferable than a live broadcast of the meetings of the charter scrutiny committee.

The scrutiny stage is a detailed consideration of the draft which would only bore the public if it were broadcast live on radio and television, he said.

Dr. Ukrit said the NLA had no objections to a live broadcast, but the matter rested with the government to decide.

The 25-member scrutiny committee will perform its duty without guidance from anyone, he said. Members will be free to make their own decisions.

NPKC, Cabinet To 'Dispel Rumors' With Dinner

BK3008005991 Bangkok BANGKOK POST in English 30 Aug 91 p 2

[Text] Members of the National Peace Keeping Council [NPKC] and the government will dine together at the Supreme Command headquarters on Monday, a source said.

The aim of the dinner is to dispel rumours that the NPKC and the government are at odds over certain matters, the source said.

Those expected at the dinner are NPKC Chairman and Supreme Commander Gen Sunthon Khongsomphong, Army Chief Gen Suchinda Khraprayun, Deputy Army Chief and Interior Minister Gen Itsaraphong Nunphakdi, Army Chief-of-Staff Gen Wirot Saengsanit, Air Force chief ACM [Air Chief Marshall] Kaset Rotchananin, Deputy Air Force Chief ACM Anan Kalintha, Air Force Chief-of-Staff ACM Suthep Theppharak, Navy Chief Adm Prapat Kritsanachan, Navy Chief-of-Staff Adm Wichet Karunyawanit, Police Chief Gen Sawat Amonwiwat, Prime Minister Anan Panyarachun, Deputy Prime Minister Pol Gen Pao Sarasin and Finance Minister Suthi Singsane.

A source close to the NPKC said many people might believe there was a rift between Gen Sunthon and Chulachomklao Military Academy Class 5 members in the NPKC after the Supreme Commander had recommended that the draft constitution be reviewed because it had been heavily criticised as undemocratic.

Bangkok Governor Criticizes Draft Charter

BK3008012191 Bangkok THE NATION in English 30 Aug 91 p A4

[Text] Bangkok Governor and Phalang Tham Party leader Chamlong Si-muang joined the critics of the

National Peace Keeping Council yesterday, saying he has lost hope for a democratic constitution in the immediate future.

He was commenting on the draft constitution, which the military-formed National Assembly passed unanimously in its first reading on Wednesday.

The draft will be scrutinized by a military-dominated committee.

"I don't have hopes for this draft constitution," said Chamlong.

He said he expected the scrutinizing committee not to carry out any significant changes to the draft.

Chamlong said he disagreed with many points in the draft, including the extensive power given to the so-called Constitution Committee.

The new constitutional body is authorized to investigate election fraud, recommend punitive action against accused MPs [members of parliament] and nominate members of the Senate, according to the draft constitution.

It is feared that the military would transfer its political power into the Constitution Committee, and later the Senate.

Chamlong said the Constitution Committee's power should be reduced.

The committee would be charged with nominating at least 1,350 people for the 270 Senate seats. The nominees select senators among themselves.

"Senators should be elected by the people," Chamlong said.

He also voiced objections to another controversial part of the draft charger that requires the support of at least two-thirds, or 420, of the total 630 MPs and Senators to amend the constitution.

Critics have said such requirement would give the Senate undeserved power to block any move to amend the new charter.

Chamlong noted that while a few National Assembly members questioned those controversial points during the first reading of the constitution draft, nobody voted against it.

The draft was approved 252-0 with two abstentions. Thirty-eight assembly-men were absent during the voting.

"There may be some voices of opposition but they won't work, in the end," Chamlong said.

As usual, he would not say whether he would give up the governorship and run in the next general election.

But he said politicians must not be discouraged by the present political situation.

"No matter how the new consitution looks like, our duty is to promote democracy. Politics can change for the better and the current situation will not last forever," he said.

Columnist Comments on National Assembly

BK3008023991 Bangkok THE NATION in English 30 Aug 91 p A17

[Commentary by Sophon Ongkan: "The ultimate skills of deception."]

[Text] The big circus, running for three days near the Dusit zoo, ended yesterday. Boredom and lack of interest among the participants were evident. Still, the show deserved a standing ovation and endless curtain calls from the admirers and supporters of the National Peace Keeping Council.

For political parties which are not of a devious creation of members of the military junta, and not dependent on the powers-that-be, the passage of the draft constitution and the composition of the scrutinizing committee resembled the fall of a dark curtain on fair democracy.

The charade performed by the appointed charlatans during the period served as the ultimate proof that the people had been cheated and lied to again. The much-heralded noble cause to right the wrong trumpeted by the junta since the coup on February 23, turned out as expected, to be a white lie.

We had a good mixture of legislations. It is understandable that officers in the Armed Forces and police have to tow the line drawn by their commanders. Deviation can lead to recrimination and lack of promotion. What I don't understand is why none of the civilians, the politicians, or even the academics, acted on behalf of the people.

During the debate, some of them lambasted the draft constitution. "No good," they shouted. When the vote was called, they said "yeah". The votes told it all, and hypocrisy prevailed.

The junta's explanation made immediately to justify the ouster of the Chatchai government is still fresh in our minds. The coup in fact was a step backward and it took six months, amidst a false hope, to confirm the suspicion of political pessimists that the junta would eventually be no different from their dictatorial and power-hungry predecessors.

It was clear right from the start for the people, who deplored coup d'etat as a means to change the government, to believe that the promise for the better would turn out to be a big farce. The same people have had no doubt whatsoever that the February 23 coup would not be different from the previous ones, because it was staged by the groups who showed contempt towards democracy and the right of the people to govern themselves.

The people who condemned a change of government by armed force never had an illusion that a military-staged coup would politically benefit the general public. But then, there is a minor exception to it.

The coup staged against the Thanin government in late 1977 was a bit better. In fact, anything was better than that dictatorial regime, to be more precise.

But when we consider the events during the session of the National Legislative Assembly, the audacity to continue the blatant falsehood was astounding. The dexterity of the junta leaders was shameless, to say the least. The lie, made with minimum disturbance to their conscience, had been sugar-coated all along for optimists to cling on to their blind faith that the junta was sincere enough after its military overlords took the trouble of tearing apart the previous constitution when they toppled a government elected by the people.

If the lie is likened to a beautiful cake, the result of the vote approving the draft constitution is the poisonous icing to be force-fed to the people.

To heck with the people's desire for true democracy, the politically-motivated bigots must have thought so. the participants in the political circus might have forgotten that it was the taxpayer's money which fed them throughout the whole charade. What a waste of money and resources. Precious electricity was wasted for the lighting of the assembly hall together with TV air time and they finally bit the hands of the people that fed them. The only benefit is that the public knows who are their political benefactors and who are the traitors.

During the three-day period, some members of the National Legislative Assembly [NLA] took turns to criticise the draft constitution. This also was a sideshow to the charade. They managed to convince the people that at least there would be quite a number of dissenting voices during the vote. In the end, the disappointment was total.

Speaker Dr Ukrit Mongkhonnawin's abstaining vote was perfunctory. His supporting role was not needed anyway. The only surprise was another abstention by Col Narong Kittikhachon, judging from his notorious background. Though he had not cast a negative vote, the abstention was enough to cause a number of red faces among the politicans in the NLA who have patted themselves on the back as the representatives of the people.

Had Narong said a firm "no," he would have partly erased the tainted track record now firmly imprinted in the minds of the people during the student uprising in October 1973. We should remember that the ex-military officer was a member of the so-called "tyrannical trio" in those days, but this entry into politics has been accepted by some provincial people who fortunately did not have to shoulder that painful experience on Rajadamnern Avenue on the fateful October 14.

His behaviour in voting was a bit mind boggling. His stand the least expected. A change of heart, to score some points in advance? To be fair, he emerged far better than all who voted "yes"—the votes which will lead our country on a more treacherous path towards an odd kind of democracy.

We saw that when the military-appointed legislators casted their votes, they did not even represent themselves. Rather they acted collectively like a rubber stamp for the junta to complete the distortion of the country's legitimacy, so that their master could prolong their grip on political power.

The scrutinizing committee, comprising military figures and conservative "professional senators" will be another rubber stamp, so that the trampling of the people's rights to have the "right kind of democracry" could be constitutionally justified. This kind of constitution, in the truest sense of the world, is unconstitutional. Some even dubbed it an anti-democracry constitution. The fingerprints of the junta leaders and their lackeys were all over the place.

The repeated claims by the junta leaders that they would have no involvement in the scrutiny stage turned out to be another falsehood uttered without the blinking of their eyes. It is next to impossible for us to think that the committee will make meaningful changes as called for by politicians.

In order to be frank, I have to say that the rules of the game now are being drawn by non-politicans for the politicians to play. This can be equated to a dimwit without a flair in music, composing an incoherent symphony for a maestro conductor who in turn is made to look like a fool in front of the orchestra members.

This clearly shows that the political misfits can run the show when the right time comes. A stage has to be well prepared because they expect boos and jeers from the public anyway. Rotten eggs seem too good to be hurled at them.

What can we deduce from the stage-managed circus? It is like this. In Faust of Goethe, a man sold his soul to the devil if his wishes could be fulfilled for a certain period. The devil would have not much difficulty finding more submissive souls in our legislative body.

Vietnam

Senator, U.S. Businessmen Urge End to Embargo

BK2908153991 Hanoi Voice of Vietnam Network in Vietnamese 0015 GMT 29 Aug 91

[From the "International Topics" program]

[Text] Speaking in Hanoi on 18 August at the meeting between U.S. and SRV officials on MIAs [soldiers missing in action], Senator Kerry, chairman of the U.S. Congressional Committee on MIAs and POWs [prisoners of war], said that the lifting of the trade embargo against Vietnam will accelerate efforts to find Americans still missing in action more than 16 years after the Vietnam War.

According to Mr. Kerry, the trade embargo is limiting the possibility of Americans going to Vietnam and having useful daily contacts with Vietnam. If the U.S. seriously wants to solve the MIA issue, then the more Americans are allowed to come to Vietnam, the better.

Mr. Kerry also proposed to the U.S. Congress a plan to loosen the trade embargo against Vietnam in exchange for MIA information.

On 16 August, while speaking to the press in Bangkok on his way to Vietnam and Cambodia, Senator Kerry said he had requested that the U.S. Government lift the trade embargo against Vietnam. He also said he would urge a debate in the U.S. Congress on issuing a resolution on this issue.

Senator Kerry criticized the current policy of the U.S. Government as "not very clever" when it demands that a political settlement in Cambodia and progress in resolving the MIA issue must first be achieved before the trade embargo against Vietnam can be lifted.

He said that, first of all, the trade embargo should be lifted, economic relations should be established, and trading and commercial relations, including the exchange of information, should be allowed to develop before the rest can be solved. However, he said that lifting the trade embargo does not mean full normalization with Vietnam.

Senator Kerry is on his way to Indochina to seek information for some 2,273 MIA cases from the Vietnam War. He believes his tour will create a foundation for the committee to solve this issue.

While welcoming Vietnam's cooperation on the issue, he called on the U.S. Government to stop concealing information on MIAs.

Senator Kerry also stressed the importance of the MIA issue in accelerating relations between the two countries, and that the U.S. is being isolated on the Vietnam issue because most of the other countries are deliberately violating the trade embargo.

In a briefing session held in Thailand on 6 August by the U.S. Chamber of Commerce for a delegation of six U.S. congressmen on its way to Indochina, businessman (Raymond Eton) said the Americans cannot be in Vietnam because of the U.S. Government trade embargo against Vietnam; thus Japan is becoming a big trading partner with Vietnam.

The news agency AP reports from Bangkok that the U.S. Chamber of Commerce has requested that Washington lift the trade embargo against Vietnam. Mr. Eton said total foreign investment in Vietnam is about two billion dollars. SRV-Japan trading volume this year may reach one billion dollars. Mr. Eton said Japan has become the second biggest trading partner with Vietnam after the USSR despite the official Japanese Government policy of supporting Washington's stand on Vietnam.

According to Mr. Eton, U.S. businessmen are losing their chance to do business with Vietnam in the field of oil and gas exploration, in infrastructure development, and in agriculture, pharmaceuticals, communication, hotels, and tourism.

Mr. Raymond Eton is an Australian who heads a Bangkok import-export joint venture that has offices in Hanoi and Ho Chi Minh City.

Foreign Minister To Visit China in Sep

BK3008045291 Hong Kong AFP in English 0439 GMT 30 Aug 91

[Text] Phatthaya, Thailand, Aug 30 (AFP)—Vietnamese Foreign Minister Nguyen Manh Cam will visit Beijing on September 9 or 10 to lay the groundwork for a visit to China by Communist Party Secretary-General Du Muoi and possibly Premier Vo Van Kiet, diplomatic sources said here Friday.

Meanwhile Hanoi's Deputy Foreign Minister Nguyen Dy Nien was to hand over a formal invitation here Friday to Prince Norodom Sihanouk, head of Cambodia's Supreme National Council (SNC) to visit Hanoi.

Nien is in Phatthaya to monitor the SNC meetings.

The invitation is a further sign of progress towards a settlement ending Cambodia's 13-year war, in which Vietnam backs the Phnom Penh Government.

The prince, having adopted a neutral position since he became SNC head earlier this year, was the long-time leader of a guerrilla coalition fighting to topple the Cambodian Government.

Forum Discusses Cooperation With ASEAN

BK2908143191 Hanoi VNA in English 1347 GMT 29 Aug 91

[Text] Hanoi VNA August 29—The English Language Daily VIETNAM NEWS today ran it exclusive interviews with several foreign participants in the ASEAN-Vietnam cooperation forum which concluded here yesterday. Withaya Sucharithanarugsi, of the Department of Government Faculty of Political Science, Chulalongkon University Thailand, said: "I think the best thing is that all of us can be here together and share our ideas and exchange our ideas. I think it is very important because we don't know each other well yet. We have many riches of course, but different kinds of riches. So I think the best thing I get of this is to get to know you and to know how the Vietnamese think and to know what kind of things they would like to happen in their country. I think that's really important".

Mr. Vanu Gopala Menon, assistant director of the Policy, Planning and Analysis Division of Brunei's Ministry of Foreign Affairs said: "I think the forum has been useful in bringing ASEAN and Vietnamese academicians together. All of us here are attending this seminar in our private capacity. I think most of us are here in Hanoi for the first time, in Vietnam also for the first time. I think it's a good opportunity for us to get to see what Vietnam is like, what we have to offer the rest of Asia. At the same time, it gives us an opportunity to get more Vietnamese contacts, and I think this seminar is the right forum where we can meet our Vietnamese counterparts. Academicians, think tank, government officials if we wish to improve relations, in the long run, between the ASEAN and Vietnam". [as received]

Doing his part, Mr. Ibnu Sujono, secretary general of the Indonesian Chamber of Commerce and Industry, noted :

"I think it was a very useful forum. We talked to each other in a friendly way, in a relaxed way. So this is very important. We have discussed a lot of things, especially in how to assist Vietnam in enhancing the economy and also in cooperating with ASEAN as a whole and also bilaterally with the member countries of ASEAN. We hope that Vietnam can make use of them and other experiences in the development of Indonesia. Vietnam actually has an experience in the historical process in the past similar to that of Indonesia".

Agreements on Flights Reached With Hong Kong

BK2908131191 Hong Kong AFP in English 1237 GMT 29 Aug 91

[Text] Hanoi, Aug 29 (AFP)—Cathay Pacific and Air Hong Kong have reached agreements with Vietnam Airlines on direct flights to Vietnam, Vietnam Airlines Director General Nguyen Hong Nhi said Thursday.

The passenger and cargo flights will begin as soon as the Hong Kong Government gives its stamp of approval, Nhi told AFP [AGENCE FRANCE PRESSE] in an interview.

"The ball is in the court of the Hong Kong Government," he said.

Nhi estimated that Cathay Pacific would begin flying passengers to Hanoi in December and that the Air Hong Kong cargo flights would start a month earlier.

A source close to Hong Kong officials said he hoped direct flights would begin even sooner.

"What is needed now is the covering agreement between the two governments," he said. A Hong Kong delegation will visit Hanoi in September to discuss the agreement, and "we hope (the visit) it will clear the way for the resumption of flights."

Cathay Pacific's commercial flights to southern Vietnam were suspended in 1975. Charter flights from the British colony have landed in Hanoi in recent months carrying returning Vietnamese boat people.

Nhi said that under a joint operations agreement reached last month, Cathay Pacific would provide the planes and crews for direct Hong Kong-Hanoi passenger flights. After deducting expenses, profits from the route would be split evenly between Cathay and Vietnam airlines, he said.

Vietnam airlines, whose Soviet-built fleet does not meet Hong Kong airport safety standards, has been unable to obtain more modern aircraft due to the U.S. trade embargo.

"The inter-airline negotiations have been completed," the informed source confirmed, though he could not provide details of the deals.

"A Cathay team was here last week looking at the modalities of flying to Hanoi—how to service their aircraft here etc."

Cathay was also interested in flying to Ho Chi Minh City, the southern city that is Vietnam's business capital, he said.

Air Hong Kong, meanwhile, has signed an agreement with Vietnam Airlines on direct cargo flights to Vietnam, said Nhi, adding that the flights were expected to begin in November.

The informed source said Air Hong Kong was interested in flights to Ho Chi Minh City, Hanoi and eventually Danang.

The only Asian passenger carrier currently serving Hanoi is Thai International Airways from Bangkok, though Aeroflot and other East European airlines also land here.

Air France flies to Ho Chi Minh City. Taiwan's national carrier, China Airlines, started twice-weekly service to Ho Chi Minh City on August 18 but quit six days later, saying Vietnam had come under pressure from China to cancel the flight.

"It is a delicate situation. We want to fly to every country to promote friendship between peoples but flights need government approval," Nhi replied obliquely when asked whether the cancellation was due to Chinese pressure.

Vietnam Airlines offered late last year to resume direct flights to China, but as yet the subject has only been discussed by senior diplomats of both sides and not by airline officials, Nhi said.

One Vietnamese source said Vietnam was notably hoping to begin direct flights to Nanjing, China as soon as the two countries normalize ties.

Vietnam announced the suspension of its direct flights to China in 1979 after Chinese troops launched an attack across Vietnam's northern border.

Ministry Seeks Admission to INTERPOL

BK3008073391 Hong Kong AFP in English 0643 GMT 30 Aug 91

[Text] Hanoi, Aug 30 (AFP)—Vietnam has applied to join INTERPOL, the international criminal police organization, the Vietnamese Interior Ministry said here Friday.

Vietnamese authorities handed over a written request for membership to INTERPOL President Ivan Barbot, who left Vietnam on Thursday after a six-day visit to Hanoi, Haiphong and Ho Chi Minh City, a ministry spokesman said.

INTERPOL, which is headquartered in Lyons, France, is expected to consider Vietnam's application during a meeting November 4-8 in Uruguay, the spokesman added.

Vietnam is one of the few countries still outside the 154-member INTERPOL, following the accession of the Soviet Union, Poland and Czechoslovakia last year. Albania and Mongolia have also applied to join.

"Joining INTERPOL is considered a label of democracy," Barbot said upon arrival here August 24.

"When a country that doesn't disclose information on criminal activity decides to start exchanging information internationally, it's a step toward openness."

Barbot had talks during his visit notably with Interior Minister Bui Thien Ngo and Deputy Interior Minister Pham Tam Long, who heads the national police.

Joint Venture With Australia To Tap Gold

BK3008092791 Hanoi Voice of Vietnam in English 1000 GMT 24 Aug 91

[Text] An Australian-Vietnamese joint venture has been formed to tap Bong Mieu, Vietnam biggest gold mine in the central Province of Quang Nam-Da Nang.

The total investment is 13.2 million dollars, of which 20 percent is contributed by Vietnam and the rest by Australia. The interest will be shared equally.

Actual mining is planned to start in December and an output of 150,000 tones of ore is expected for the first year.

After five years, the mine is likely to yield 150,000 ounces with 55 million dollars a year.

French Bank Opens Branch Office in Hanoi

BK2908065991 Hanoi VNA in English 0607 GMT 29 Aug 91

[Text] Hanoi VNA August 29—An office of the Indosuez Bank (France) was opened in downtown Hanoi Wednesday.

Two years ago Indosuez opened a branch office in Ho Chi Minh City. It is executing a number of cooperation projects with the Vietnam Foreign Trade Bank (VFTB), the Vietnam Industrial and Commercial Bank, and some VFTB branches in Ho Chi Minh City, Can Tho town and Hanoi.

Vo Van Kiet Receives More Congratulations

BK3008071591 Hanoi VNA in English 0557 GMT 30 Aug 91

[Text] Hanoi, VNA August 30—Fidel Castro Ruz, first secretary of the Central Committee of Communist Party of Cuba, president of the State Council and of the Council of Ministers, has sent a congratulatory message to Vo Van Kiet on his election as chairman of the Council of Ministers of Vietnam.

The message reads :

"We are happy to note that our two nations are persisting in our advance on the road of socialist construction. We are aware though numerous difficulties are lying ahead on our road we are encouraged by our common belief that our present struggle, with the principles and the banner we are holding aloft, will be successful."

Also on this occasion, Mrs. Edith Cresson, prime minister of the Republic of France, and Dr. Sa'dun Hammadi, prime minister of the Republic of Iraq, sent their congratulatory messages to Chairman Vo Van Kiet.

Vo Chi Cong Receives Departing Ambassadors

BK2908100591 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 21 Aug 91

[Text] In Hanoi on 21 August, Comrade Vo Chi Cong, chairman of the State Council, received His Excellency Graham Alliband, ambassador extraordinary and plenipotentairy of Australia to Vietnam, who called on the chairman to bid farewell at the end of his diplomatic mission. On the same day Chairman Vo Chi Cong received departing Hungarian Ambassador to Vietnam Szurovszky Oszkar.

Lao Military Delegation Visits 22-29 Aug

BK2908064991 Hanoi VNA in English 0600 GMT 29 Aug 91

[Text] Hanoi VNA Aug. 29—A Lao delegation of the Information and Training Department, the newspaper and radio broadcasting of the Lao People's Army led by Colonel Vi Say, head of the Lao General Political Department, paid a working visit to Vietnam from Aug. 22- 29.

Major Gen. Nguyen Van Thai, director of the Information and Training Department under the General Political Department of the Vietnam People's Army, informed the Lao guests of the results of the 7th party congress, the education in the Army in line with the party's resolution.

The delegation had exchanged views on the political and ideological work with senior officials of the Army paper QUAN DOI NHAN DAN, the Navy command, and the military command of Quang Ninh Province.

During its stay here, the delegation paid a floral tribute to the late President Ho Chi Minh at his mausoleum. It was received by Lt. Gen. Le Kha Phieu, member of the Communist Party of Vietnam Central Committee and deputy-head of the General Political Department.

Seminar on Agricultural Development Opened

BK2908094991 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 22 Aug 91

[Text] At the International Club in Hanoi on 22 August, Comrade Tran Khai, deputy head of the State Planning Commission, opened a seminar under the theme of agricultural development policy. The seminar was sponsored by the UN Food and Agriculture Organization [FAO].

Attending the seminar were Mr. S. Khan, deputy director of FAO, noted scientists at home and abroad, and agricultural specialists. Many of them have registered to deliver reports at this seminar.

To implement the strategy of socioeconomic stabilization and development set forth by the Seventh Communist Party of Vietnam [CPV] Congress resolution, the seminar asserted the important role of the agro-forestry-fishery sector and that of the processing industry in developing rural economy and building new rural areas.

The seminar will discuss measures to unify major concepts in order to help agencies concerned fomulate concrete policies aimed at helping Vietnamese agriculture continue to vigorously advance.

Summer-Autumn Rice Harvested in Mekong Delta

BK2908060991 Hanoi VNA in English 0609 GMT 29 Aug 91

[Text] Hanoi VNA August 29—Farmers in the Mekong River Delta have harvested summer-autumn rice on nearly 970,000 ha with a yield of 3.6 tons/ha and an output of nearly 3.5 million tons.

Compared with such crops last year, the acreage is up by more than 90,000 ha, the yield by 0.02 ton and the output by 400,000 tons.

This is the third consecutive bumper summer-autumn crop got by local farmers as the result of good irrigation, soil improvement as well as extensive and intensive farming.

Nguyen Quyet on Second-Round Congresses

BK2808154191 Hanoi Voice of Vietnam Network in Vietnamese 1400 GMT 19 Aug 91

["Excerpts" from article by General Nguyen Quyet, member of the party Central Committee's Military Commission and vice chairman of the State Council: "Second-Round Party Congress at All Levels, the Congress To Renovate and Reorganize the Party and Translate the Seventh Party Congress Resolution Into Life"]

[Text] The successes of the seventh party congress are manifested in many ways. Most prominent was that the congress passed with a high degree of unanimity the documents prepared by the sixth party Central Committee, after having received the views of all party members, people, and troops. The most basic and overall issue is the persistence of socialist objectives and lines, asserting the ideological base and compass for action of all our party members and people which are Marxism-Leninism and Ho Chi Minh thought, affirming the Communist Party of Vietnam's role in leading society, and its resolution to advance the renovation process toward even more and greater victories.

At a time when socialist countries are in a serious crisis, many communist parties have lost their right to leadership and many socialist countries have changed their systems. Imperialist and reactionary forces have intensively carried out their plots to eliminate socialism and oppose national independence. In the ranks of communists, some have proved to vacillate in their stand and tended to negate achievements and then to reject the socialist path and Marxism-Leninism.

Our party's decision has reflected the resolute and clear-cut stand and attitude of the heroic Vietnamese communists and people. This is also the revolutionary quality of our party and nation which has been forged through thick and thin. Whatever might be the situation, we always preserve our steel-like faith in the chosen path.

Realities have demonstrated that vacillation over the objectives and lines will shake our faith and dampen our will, leading to ideological oscillation and a loss of direction in thought and action which can cause unpredictable losses.

The second success was that the congress successfully elected a Central Committee that reflects both continuity, and progression and renovation. Although many comrades in the Political Bureau, Secretariat, and sixth party Central Committee did not run for election to the seventh party Central Committee because of old age and poor health, they always stand ready to accept any assigned mission, thus setting a lofty example of wholehearted devotion to the revolutionary cause.

The article continues:

Following the seventh party congress, the struggle has continued to develop complicatedly and might become even more difficult and tougher. Faced with such a situation, all party members and cadres, and first of all, those in the party congress at all levels this time, must thoroughly understand the seventh party congress resolution, considering it a firm base for continually leading and steadily advancing the country.

The socialist path is the sole and correct one to be selected. This is the path to firmly safeguard independence and freedom for the nation, bring about a happy and plentiful life for the people, establish the major orientations in socioeconomic policies, and first of all, to develop the economy, place human beings at the center, integrate economic growth with justice and social progress, correctly settle the relations between renovating the economy and renovating the political system, build socialist democracy and the state of the people, by the people, and for the people, and ensure that all powers belong to the people.

We must implement the mechanism of party leadership, state management, and people's control. The party must renovate and reorganize itself. Most important of all is that we must consolidate and uphold the working class nature and the party's pioneering spirit of being absolutely loyal to the interests of the working class, the laboring people, and the nation, using Marxism-Leninism and Ho Chi Minh thought as the ideological base and a compass for action, and taking democratic centralism as the fundamental organizational principle to keep leadership abreast of the two strategic tasks of building socialism and defending the country in the new stage.

We must continually accelerate the renovation process in a strictly uniform manner in all domains, derive correct experiences from the process, and develop the lines, positions, and policies in order to advance the revolution along the socialist path. To renovate does not mean to totally reject, negate, and change color and direction.

On the basis of thoroughly understanding the seventh party congress resolution, the second-round party congresses at all levels should revise leadership and set forth guidelines for leadership in the coming tenure of the party organization at its own level. Party committee echelons should uphold the sense of self-criticism and criticism, and profoundly check the ideological knowledge involving the party's renovation process and the complex developments of the world situation and the difficulties in the country. They must generally review leadership to increase units' combat strength and combat preparedness, and to solve their urgent problems concerning their sense of organization and discipline, compliance with higher level resolutions, Army discipline, and state law, and the material and moral lives of cadres and combatants.

Self-criticism and criticism must be scrupulous, frank, open, and clearly motivated in the spirit of constructive comradeship in order to correctly evaluate the real status of the party organization. We must be fully aware of achievements and good points and, at the same time, point out shortcomings and weaknesses. We must pinpoint causes, clearly attribute responsibility, take proper remedial action, and create solidarity and singlemindedness.

The guidelines, tasks, leadership objectives, and measures of party organizations in their coming tenure in all domains must be accurate, concrete, and practical.

Well aware of the seventh party congress resolution, especially the two strategic tasks of the revolution, and proceeding from the realistic situation of our party organizations and units, we must see clearly the new developments in the national defense tasks and the functions of combat, construction, and work units of the people's Army; resolve the emerging urgent problems, build units of integrated strength to meet the demands of new tasks, consider the political and ideological building as a base, consider the building of party organizations as a central task, and see the building of a contingent of cadres as a key task.

In building the party, we must thoroughly understand the party statutes, thoroughly implement the function of political leadership, comply with the principle of collective leadership, build intramural solidarity, settle the relations of leadership and command, attentively build primary installations, and conduct advanced training of cadres and party members with emphasis on leading cadres of all echelons. Particularly, we must determine the action program for the two years of 1991-92, focus on leadership, and create definite changes in all respects without limiting ourselves merely to orientation nor to generalities. We must associate the resolution with life and with the most vital problems arising in our localities and units.

The election of new party committees of party organizations is one of the three contents of the second-round party congresses at all levels which attracts the interest of party members and the masses in units and holds great significance in deciding the successes of the congresses as well as the entire term of new party committees. We must select those fully qualified and competent cadres and party members for the party committees who enjoy the confidence of all party members and the masses. We must thoroughly understand the party's viewpoints on renovation and cadre organization in order to consider cadres' qualifications so as to ensure the creation of a steady source of successors for each party committee.

The successes of the sixth party committee in preparing personnel for the seventh party congress should be thoroughly understood and applied creatively, truly democratically, and in accordance with the established principle. Those party committees convening the congresses must carefully prepare and present their demands, criteria, and structures to the immediate lower party committees for comment. The latter party committees and those in charge of various agencies who are consulted, must discuss and firmly grasp the criteria and structures with a high sense of responsibility for building the party and must then recommend reliable persons to higher party committees so that the exchanged views can be revised generally to select a namelist of nominees. We must promptly criticize all erroneous knowledge about the qualifications of party committees which causes undemocratic practices or departmentalism which is not in the common interest.

We should enable the second-round party congresses at all levels to truly renovate and reorganize the party so as to create an enthusiastic atmosphere within the party and among the masses, and serve as a premise to launch a strong, broad, and profound movement for revolutionary acts among all party members, people, and troops. This is aimed at thoroughly and practically understanding the resolution in order to correctly implement the motto of matching words with deeds, and coupling thorough understanding with the implementation of the resolution.

Through implementing the resolution, we should enhance the standard of political knowledge, militant strength, and leadership of party organizations; consolidate solidarity and singlemindedness within party organizations and units, and the blood-flesh relationship among the party, the Army, and the people; uphold a sense of self-reliance, independence, and creativity to surmount all difficulties and trials; and translate the seventh party congress resolution into realities in life, so it will be one of the reliable political forces of our party, state, and people.

Second-Round Congress Experiences Reviewed

BK3008041591 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 23 Aug 91

[Text] The party Central Committee Department of Organization recently held a conference of organization committee heads and deputies of 11 northern provincial and city party committees to preliminarily review and exchange experiences in guiding the organization of the second-round party congresses of party bases.

The conferees initially drew out the following noteworthy conclusions. To satisfactorily conduct the second-round party congresses, party bases should:

1. Control and verify the results of purging the party in accordance with Directive 59 of the sixth party congress secretariat; solve definitively the outstanding and newly emerging problems related to the personnel affairs of the congresses; assess the results of the party members' struggle to take corrective action and recognize their efforts;

2. Thoroughly understand the necessity of discussing more carefully the main contents of the seventh party congress documents; creatively apply them to the specific conditions in party bases; and set forth the guidelines and tasks of party bases in their coming tenures;

3. Prepare really thorough reports on the performances of last tenures and new guidelines and tasks, presenting specific contents and not general orientations; point out the issues raised by the masses and present practical solutions, including all the views of the people, mass and social organizations, retired cadres of each party chapter and so forth;

4. Contribute their views to reports by the higher levels of districts and precincts. This is an important aspect of party base congresses. Party committees of districts and precincts must send their reports to party bases for party members to study first and make practical contributions; and

5. Democratically discuss the preparation of personnel during party chapter live activities by soliciting the views of retired party and non-party cadres, and each party committee echelon, or take votes of confidence.

In providing guidance for the congresses of basic party organizations, it is imperative to pay attention to all tasks and the relations among the various tasks, and not to neglect any. The next higher level of party bases will authorize the conduct of congresses only when party bases have satisfactorily completed all the preparations.

News Conference on Amendments to Penal Code

BK3008050491 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 22 Aug 91

[Text] On 15 August, Council of State Chairman Vo Chi Cong signed an order promulgating the law on amendments to some articles of the penal code which was adopted by the SRV Eighth National Assembly at its recent ninth session.

The Office of the National Assembly and Council of State and the Supreme People's Court jointly organized a news conference recently to introduce the contents of this law. Comrade Pham Hung, chief judge of the People's Supreme Court pointed to the requirement and necessity to amend some articles of the penal code which is aimed at promptly supporting the task of prevention and suppression of crime at present.

There are two amendments in the new law. The first one is aimed at amending Articles 28, 31, 42, and 69, the second comprises 19 articles aimed at amending 22 articles of the penal code.

The new law stipulated that the death penalty will be meted out to those who committed the following crimes: defraudration of socialist property as specified in Article 134, defraudration of the people's property as specified in Article 157, and receiving bribes as specified in Article 226. It also stipulated severer penalties for crimes specified in Articles 135, 158, 220, and 221 of the penal code. For instance, the maximum penalty of 20-year imprisonment meted out to those who abused the socialist property as prescribed in Article 135 is now extended to life-imprisonment.

Assembly Adopts Resolution on Boundaries

BK2908075191 Hanoi NHAN DAN in Vietnamese 14 Aug 91 p 1

[Resolution by the National Assembly on redelineation of administrative boundaries of some provinces and cities]

[Text] Pursuant to Article 83 of the Constitution of the Socialist Republic of Vietnam [SRV] and based on a report of the Council of Ministers, the suggestions of the provincial people's councils, a report of the committee for reviewing the adjustment of the administrative boundaries of some provinces and cities directly subordinate to the central government, and the recommendations of National Assembly deputies, the SRV National Assembly has adopted a resolution as follows:

1. Nghe Tinh Province is divided into two Provinces named Nghe An and Ha Tinh.

a. There are 18 administrative units in Nghe An Province. They include Vinh city and 17 districts, namely, Dien Chau, Yen Thanh, Quynh Luu, Nghi Loc, Hung Nguyen, Nam Dan, Thanh Chuong, Anh Son, Do Luong, Nghia Dan, Tan Ky, Quy Chau, Quy Hop, Que Phong, Con Cuong, Tuong Duong, and Ky Son. The province covers an area of 16,449 square kilometers and has a population of 2,415,425 people.

Vinh city is the provincial capital.

b. There are nine administrative units in Ha Tinh Province. They include Ha Tinh township and eight districts, namely, Nghi Xuan, Can Loc, Duc Tho, Huong Son, Huong Khe, Cam Xuyen, Ky Anh, and Thach Ha. The province covers an area of 6,053 square kilometers and has a population of 1,166,107 people.

Ha Tinh township is the provincial capital.

2. Hoang Lien Son Province is divided into two Provinces named Yen Bai and Lao Cai.

a. There are eight administrative units in Yen Bai Province. They include Yen Bai township and seven districts, namely, Mu Cang Chai, Tram Tau, Van Chan, Yen Binh, Tran Yen, Van Yen, and Luc Yen. The province covers an area of 6,625 square kilometers and has a population of 530,000 people.

Yen Bai township is the provincial capital.

b. There are nine administrative units in Lao Cai Province. They include Lao Cai township and eight districts, namely, Bat Xat, Sa Pa, Muong Khuong, Bac Ha, Bao Thang, Bao Yen, Van Ban, and Than Uyen. The province covers an area of 7,500 square kilometers and has a population of 470,000 people.

Lao Cai township is the provincial capital.

3. Ha Tuyen Province is divided into two Provinces named Ha Giang and Tuyen Quang.

a. There are 10 administrative units in Ha Giang Province. They include Ha Giang township and nine districts, namely, Dong Van, Meo Vac, Yen Minh, Quan Ba, Vi Xuyen, Xin Man, Hoang Su Pi, Bac Quang, and Bac Me. The province covers an area of 7,831 square kilometers and has a population of 461,839 people.

Ha Giang township is the provincial capital.

b. There are six administrative units in Tuyen Quang Province. They include Tuyen Quang township and five districts, namely, Son Duong, Yen Son, Hang Yen, Chiem Hoa, and Na Hang. The province covers an area of 5,800 square kilometers and has a population of 564,528 people.

Tuyen Quang township is the provincial capital.

4. Gia Lai-Kon Tum Province is divided into two Provinces named Gia Lai and Kon Tum.

a. There are 10 administrative units in Gia Lai Province. They include Play Cu township and nine districts, namely, Mang Giang, An Khe, Kbang, Krong Chro, Chu Le, Chu Pah, Chu Prong, A Dun Pa, and Krong Pa. The province covers an area of 12,000 square kilometers and has a population of 654,365 people.

Play Cu township is the provincial capital.

b. There are five administrative units in Kon Tum Province. They include Kon Tum township and four districts, namely, Dac To, Dac Glay, Sa Thay, and Kon Plong. The province covers an area of 13,000 square kilometers and has a population of 230,000 people.

Kon Tum township is the provincial capital.

5. Ha Son Binh Province is divided into two Provinces named Hoa Binh and Ha Tay.

a. There are 10 administrative units in Hoa Binh Province. They include Hoa Binh township and nine districts, namely, Luong Son, Da Bac, Lac Son, Mai Chau, Ky Son, Kim Boi, Tan Lac, Yen Thuy, and Lac Thuy. The province covers an area of 4,697 square kilometers and has a population of 670,000 people.

Hoa Binh township is the provincial capital.

b. There are 14 administrative units in Ha Tay Province. They include Ha Dong township and Son Tay township and twelve districts, namely, Thanh Oai, Phu Xuyen, My Duc, Thuong Tin, Ung Hoa, Chuong My, Quoc Oai, Ba Vi, Dan Phuong, Hoai Duc, Phuc Tho, and Thach That. The province covers an area of 2,169 square kilometers and has a population of 2,086,926 people.

Ha Dong township is the provincial capital.

6. Ba Ria-Vung Tau Province is established and comprises the Vung Tau-Con Dao special sector and three districts, namely, Long Dat, Chau Thanh, and Xuyen Moc of Dong Nai Province.

There are five administrative units in Ba Ria-Vung Tau Province. They include Vung Tau city and four districts, namely, Con Dao, Long Dat, Chau Thanh, and Xuyen Moc. The province covers an area of 204,745 square kilometers and has a population of 587,499 people.

Vung Tau city is the provincial capital.

7. The geographical boundaries of the capital city of Hanoi have been adjusted as follows:

a. Me Linh District of the capital city of Hanoi is transferred to Vinh Phu Province.

b. Son Tay township and Hoai Duc, Phuc Tho, Dan Phuong, Ba Vi, and Thach That Districts of Hanoi Municipality are transferred to Ha Tay Province.

8. The Council of Ministers is entrusted with providing guidance for implementing this resolution of the National Assembly in the spirit of thrift without increasing staff or wasting state assets, and for quickly stabilizing, organizing, and developing production.

9. The Council of Ministers is to continue to perfect the general plan for adjusting the geographical boundaries of provinces and localities at the corresponding level to be submitted to the National Assembly for consideration following the completion of the amendments to the Constitution.

This resolution was adopted by the Ninth Session of the Eighth SRV National Assembly on 12 August 1991. (signed) Le Quang Dao, chairman of the National Assembly.

Microwave Tower Erected in Doc Soi, Quang Ngai

BK3008094991 Hanoi Voice of Vietnam Network in Vietnamese 0500 GMT 24 Aug 91

[Text] To mark National Day on 2 September, the Postal Project Building Company of the Vietnam Telecommunications Company just finished putting up the 114-meter microwave tower in Doc Soi of Quang Ngai Province. The tower cost more than one billion dong.

This is the highest microwave tower of the North-South Microwave System transmitting communications, television, and radio signals to Ho Chi Minh City.

During the building process the company overcame many technological difficulties, especially the problems encountered in building a tower of that height, and closely coordinated with other building enterprises such as the No.69 Building Enterprise, the An Lao Mechanical Enterprise, and the No.2 Water Works Federated Enterprise. So the Doc Soi microwave tower was put up safely, accurately, and in a timely manner.